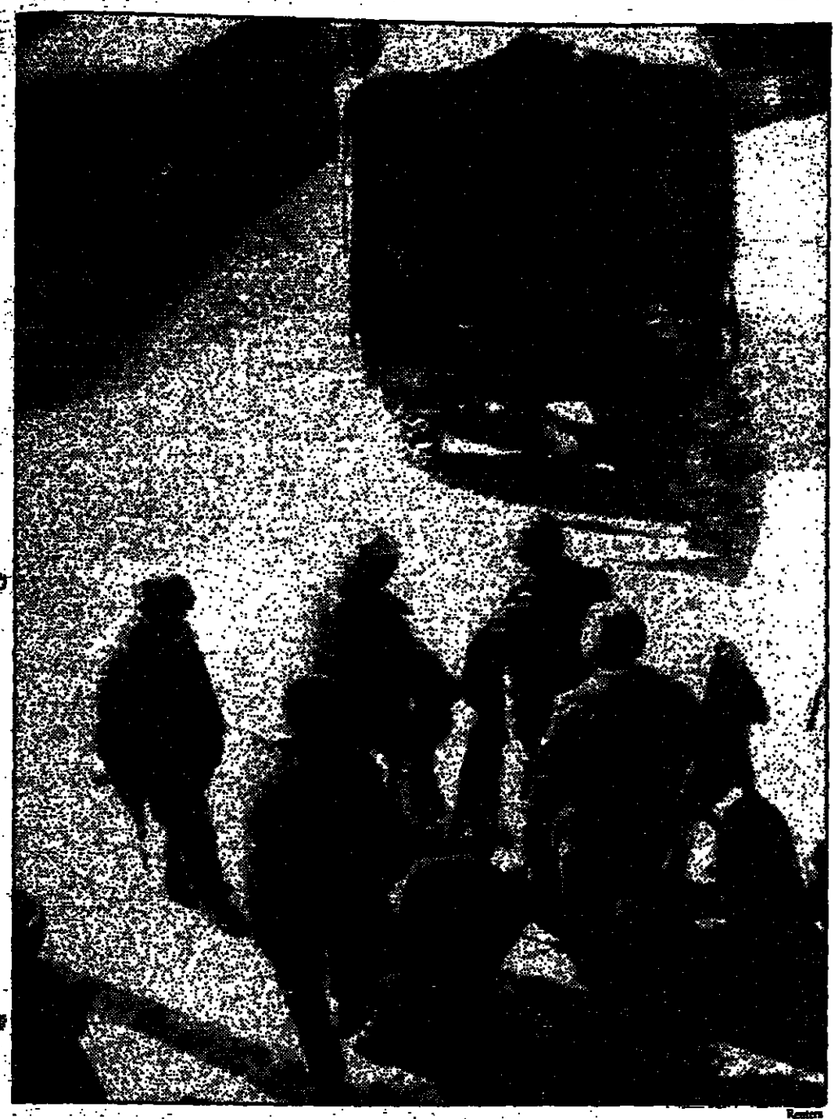
The Global Newspaper
Edited and Published in Paris
Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

International Herald Tribune

Published With The New York Times and The Washington Post

No. 33,246 3/90 ** PARIS, TUESDAY, JANUARY 16, 1990 ESTABLISHED 1887

Algeria ... 6.00 Dn. Israel ... NIS. 3.50 Oman ... 1.000 Rials
Austria ... 23 S. Italy ... 2,000 Lire Portugal ... 170 Esc.
Bahrain ... 0.800 Dhr. Jordan ... 1 JD Qatar ... 8.00 Rials
Belgium ... 50 B.Fr. Kenya ... Shs. 45 Rep. of Ireland 80 P.
Cyprus ... C.£ 1.00 Kuwait ... 500 Fils Saudi Arabia 7.00 R.
Denmark 12.00 D.Kr. Lebanon ... U.S.3.1 10 Spain ... 165 Ptas.
Egypt ... E.P 3.250 Libya ... L.Din. 0.80 Sweden ... 10.00 S.Kr.
Finland ... 9.00 F.M. Luxembourg 50 L.Fr. Switzerland 2.60 S.Fr.
France ... 8.00 F. Madeira ... 175 Esc. Tunisia ... 1.000 Din.
Germany ... 2.80 D.M. Morocco ... 10.00 Dh. Turkey ... T.L. 3,200.00
Great Britain ... £0.70 Netherlands ... 3.00 Fl. U.A.E. ... 8.00 Dirh.
Greece ... 170 Dr. Norway ... 10.00 N.Kr. U.S. Mil. (Eur.) SC.85
Iran ... 115 Rials Nigeria ... 10.00 Naira Yugoslavia 201,600 D



Reuters

Soviet troops carrying the body of a civilian killed Monday in ethnic clashes in Azerbaijan.

Moscow, Citing Armed Revolt, Sends Military Into Azerbaijan

By Michael Dobbs
Washington Post Service

MOSCOW — The Kremlin dispatched units of the army, navy and KGB security police to the southern republic of Azerbaijan on Monday to put down what it described as "attempts at armed overthrow of Soviet power" following two days of clashes between Azerbaijanis and Armenians.

The decision to impose a state of emergency on western Azerbaijan was made at a hastily convened session of the Presidium of the Supreme Soviet, the standing legislature, which was chaired by President Mikhail S. Gorbachev.

Prime Minister Nikolai I. Ryzhkov said in a radio interview earlier that the Kremlin had no choice but to use armed force to prevent a civil war in the region.

Mr. Ryzhkov told a Western radio correspondent in Moscow: "The conflict seems to be hard to solve, but the authorities won't allow this to become a civil war between the Azerbaijanis and the Armenians."

He added that the conflict "must be solved with the help of military power."

The Presidium issued a decree, which suggests that the Soviet leadership regards the latest events in Azerbaijan as an intolerable challenge to its authority. At least 40 persons are known to have been killed in the region during the last few days.

According to the decree, the situation in several Azerbaijani cities, including the capital of Baku and Kirovabad in the west, had become "particularly tense."

"It has reached the point of murders, robberies, and attempts at armed overthrow of Soviet power and at changing by force the state and social system enshrined in the constitution of the U.S.S.R.," the decree read. It is the toughest of its kind since Mr. Gorbachev came to power in 1985.

Soviet television reported Monday night that bands of Armenians and Azerbaijanis numbering several hundred were fighting each other in the Khanlar and Shaumyan districts of western Azerbaijan.

Azerbaijani officials said that mortar fire could be heard around Kirovabad, where Azerbaijani activists have been trying to prevent Soviet troops from moving south to protect beleaguered Armenian villages.



NYT

Unrest in Soviet republics could affect oil output. Page 13.

The Soviet press agency Tass reported that the state of emergency would cover the Nagorno-Karabakh Autonomous Region and "several" others. Nagorno-Karabakh is a largely Armenian enclave in western Azerbaijan with a population of 160,000.

Tass reported that Interior Minister Vadim V. Bakatin and the KGB chief, Vladimir A. Kryuchkov, attended the Presidium meeting in addition to Mr. Gorbachev. The leaders of Azerbaijan and Armenia were also reported to be in attendance.

The fighting that is raging along the Azerbaijani-Armenian border began in Baku on Saturday and spread Sunday. Dozens of Armenians and Azerbaijanis, including Commmnist Party officials and police officers, are reported to have been taken hostage by armed bands mobilized on both sides for "self-defense."

Azerbaijani militants have renewed a road and rail blockade of Armenia, cutting the republic's energy supplies. Armenian communities in Nagorno-Karabakh are accessible only by air.

Mr. Gorbachev is already under political pressure from secessionist movements in the northern Baltic states. A meeting of the Communist Party Central Committee has been scheduled for Jan. 29 to discuss the Lithuanian Communist Party's recent decision to declare its independence from Moscow.

A few years ago, most Soviet and Western analysts would have considered the combination of nationalist and economic crises now facing Mr. Gorbachev politically devastating. But the Kremlin chief has displayed remarkable skill. He has weeded conservative potential opponents out of the leadership one by one and has projected himself as the Communist Party's best bet if it wants to retain power.

Soviet television reported Monday that attacks against Armenians had continued in Baku on Sunday night for the second day and that the bodies of at least six Armenians had been found in the streets. It showed pictures of Soviet troops and armed Armenian militiamen patrolling the snow-capped peaks of Nagorno-Karabakh.

The government newspaper, Izvestia, quoted an Interior Ministry spokesman describing the situation in Azerbaijan as "out of control in a number of localities."

The paper reported that a group of "bandits" had broken into a weapons depot in Kirovabad and stolen 80 automatic rifles, two machine guns and a mortar. A detachment of railroad police was reported to have joined Azerbaijani vigilantes.

An Azerbaijani government official in Moscow, Manaf Agaev, blamed the fighting on Armenian attempts to take Nagorno-Karabakh and on a mass influx of Azerbaijani refugees from Armenia. Some 200 people have been killed over the past two years as a result of the explosion of historic grievances between the predominantly Christian Armenians and mainly Shiite Muslim Azerbaijanis.

Several hundred thousand refugees have crossed in both directions since Armenians living in Nagorno-Karabakh started demanding unification with Armenia. The demands began in late 1987 with a series of huge demonstrations.

According to witness reports from Baku over the weekend, Azerbaijani refugees from Armenia were the most active in organizing the recent attacks against Armenians.

The territorial dispute has inflamed passions in Azerbaijan to such an extent that it has overwhelmed the initially progressive goals of the Azerbaijani Popular Front. The citizens movement has become the most powerful political force in the republic over the last year.

The liberal intellectuals who founded the front last year have been pushed aside by nationalists.

As many as 300,000 people attended a Popular Front rally in Baku over the weekend; it degenerated into uncontrolled attacks against the largely elderly Armenians remaining in the city.

Gangs of several dozen Azerbaijanis roamed the streets ransacking Armenian homes and beating up their inhabitants. Armenian witnesses said that policemen and Interior Ministry troops sent by Moscow on Sunday largely refrained from intervening.

A spokesman for the Popular Front, which has been integrated into a new Council for National

See SOVIETS, Page 6

East Germans Storm Police Offices

By Dan Morgan and Marc Fisher
Washington Post Service

BERLIN — Tens of thousands of East Berliners stormed the Stasi secret police headquarters on Monday, hurling furniture out windows and dumping file cabinets containing documents down stairwells.

The crowd was "out of control," the ADN press agency reported. But members of the largest opposition group, New Forum, managed to take over the entrance to the complex later and calm the crowd.

The government broke into radio and television programming to appeal for calm "in these difficult hours."

"The democracy we have begun to build is in the highest danger," an announcer read.

The assault began shortly after the government revealed on nationwide television details of the deep penetration of East German society by the secret police.

After weeks of demands by the opposition, the Communist government released figures showing that Stasi had controlled 109,000 informers in addition to 86,000 full-time employees, that it had kept an arsenal of more than 230,000 weapons and had worked out of more than 2,000 buildings around the country.

About 100,000 protesters marched peacefully through the streets of Leipzig on Monday night, demanding the immediate dissolution of Stasi and renewing their weekly call for the reunification of Germany.

In Karl-Marx-Stadt, about 150,000 people marched through the streets, calling for the restoration of the town's original name, Chemnitz.

In Gera, Jena, Zwickau and East Berlin, workers held short strikes in opposition to the security police.

Stasi, or the State Security Service, is being dissolved. But the government revealed Monday that more than a third of the staff was still working and that more than half the Stasi buildings were still in use.

Immediately after the report, talks between the government and opposition broke off, and opposition leaders went on television and radio to urge that people remain calm. New Forum had called days earlier for a peaceful demonstration "against Stasi and Nazis" in front of the security agency's huge complex.

Tens of thousands of people gathered after 3 P.M., waving West German flags, shouting anti-Stasi slogans and vowing that they would not allow any work to be done in the 3,000-room buildings.

An hour later, the spokesman for Democracy Now, Konrad Weiss, announced that representatives of all opposition parties would go to Stasi headquarters to ensure that the agency was being dissolved as the government had promised.

By then the assault had begun. Construction workers drove trucks carrying rubble to the complex. With help from the crowd, they bricked over the entrance.

On the street, representatives of a self-appointed citizens' committee said they were there to replace Stasi with a partnership between the people and the national police, the force that handles traffic and nonpolitical crimes.

New Forum members wearing "No Violence" sashes across their chests appealed for calm without success, and an initial attempt to prevent Stasi workers from enter-

See RIOT, Page 6



Jockel Finck/The Associated Press

Protesters in the headquarters of the East German security police, which was ransacked Monday.

Honecker Cited as Traitor

The Associated Press

BERLIN — Erich Honecker, 77, who in October was driven from power after ruling East Germany with an iron fist for 18 years, will be indicted on treason charges, the country's top law enforcement official said Monday.

The charge of high treason carries a maximum penalty of death in "exceptionally grave cases" and a minimum of 10 years in prison. Prosecutors said they would indict Erich Mielke, 82, the former chief of the State Security Service, or Stasi, on similar charges. (Page 6)

Bulgarians Curb Role of Communists

By Glenn Frankel
Washington Post Service

SOFIA — Bulgaria's National Assembly took a further step toward multiparty democracy Monday by repealing the constitutional provision enshrining the Communist Party's political dominance and restoring the reputations and rights of some of those who had suffered under the old government.

The assembly also approved acts to depoliticize the state police force and place it under parliamentary authority and granted amnesties to 60 political prisoners and sentence reductions to others. it further backed an 11-point program restoring full rights to the country's 1.5 million ethnic Turks and other Muslims persecuted by the previous government.

The actions were made on an emotional day in which the Communist-controlled legislature sought to come to terms with a dark chapter in the nation's history in an attempt to define its future.

But critics said the effort was half-hearted and showed the reluctance of party officials to confront the real legacy of 45 years of Communist rule.

While some of those who had suffered under Communist rule looked on from the visitor's gallery, one of the party's senior leaders read out the names of those who had been killed or imprisoned during the 1940s, 1950s and 1960s for their political beliefs.

Their persecution, said Andrei Lukanov, second in command in the new government, was "anti-constitutional and illegal — the beginning of a whole process infringing the democratic principles and the social development of our country."

Mr. Lukanov, who heads a parliamentary commission investigating "deviations and abuses of the law," put the responsibility for

See BULGARIA, Page 6

Kiosk

Police Block Kuwaiti Crowd

KUWAIT (Reuters) — Several thousand Kuwaitis demonstrated in front of police blockades on Monday to press for the return of their country's dissolved parliament.

They had tried to reach the house of a former deputy, but the police stretched barbed wire around several blocks to stop the crowd. Activists have been holding weekly gatherings since early December to press for the return of the parliament, dissolved in 1986 at the height of the Iran-Iraq war.

General News

China-Soviet friction may damage current efforts to reduce tensions in Asia. Page 2.

A Bush adviser is pressing for a ban on mobile, multiple-warhead missiles. Page 2.

Style

Italian menswear has gone green, with brushed fabrics and colors from nature, Suzy Menkes reports. Page 8.

Business/Finance

EC officials are divided over Air France's proposed takeover of UTA, which needs their approval. Page 9.

Crossword Page 7.
Weather Page 2.

Dow Close
2,809.37
Down
10.83

The Dollar in New York

DM	1.6958
Pound	1.663
Yen	145.435
FF	5.7355

Soviets Alter Power Balance by Reducing Forces in Vietnam

By Michael Richardson
International Herald Tribune

BANGKOK — The Soviet Union is withdrawing most of its offensive forces from Vietnam in an initiative that will alter the balance of power and cause political realignments in Asia and the Pacific, Western officials said Monday.

The only squadron of 14 MiG-23 jet fighters in the country recently left the Cam Ranh Bay air and naval base, according to officials familiar with intelligence assessments and spy satellite photographs. Part of a squadron of Tu-16 bombers has also flown back to the Soviet Union, and there are no longer any submarines or large warships at the base, the officials added.

In an interview, a senior Soviet official gave a similar account. He said Soviet forces were being removed from Cam Ranh Bay in consultation with Vietnam.

The Soviets would like the removal of these forces from Cam Ranh Bay — the largest naval base occupied by Soviet forces outside the Soviet Union — to increase pressure on the United States to reduce its military presence in Asia and the Western Pacific, policy analysts said.

They also said the Soviet move was likely to complicate U.S. efforts to extend a long-standing lease on military bases in the Philippines when negotiations begin in the spring.

Asian and Western analysts said Moscow's decision to cut its forces in Southeast Asia would improve Soviet ties with China and non-Communist countries in the region. It will also put added pressure on Vietnam and the Vietnam-supported government in Phnom Penh to settle the Cambodian conflict.

The Soviet official said Moscow had not supplied any arms to Phnom Penh since Hanoi announced in September that the last Vietnamese troops had been withdrawn from Cambodia.

Soviet military aid to Vietnam is also being reduced, the official said, without giving figures.

Western officials said Moscow had evidently abandoned a strategy of hinging the pullout of Soviet forces stationed in Vietnam on the closing of U.S. bases in the Philippines.

The Soviet official said that Moscow preferred to see a withdrawal of U.S. forces from the Philippines follow that of Soviet forces from Cam Ranh Bay. But, he added, "it does not necessarily mean that if the Americans will not agree to do this that we will not pull out completely."

In 1988, Mikhail S. Gorbachev offered to withdraw from Vietnam if the United States also pulled out of the Philippines. Washington dismissed the Soviet president's offer on the ground that U.S. bases in the Philippines were far larger and more important than the Soviet presence in Vietnam.

In addition to the MiG-23s that were packed up and shipped out of Vietnam a few weeks ago, officials said, a small number of the 16 Tu-16 Badger bombers at Cam Ranh Bay were flown back to the Soviet Union recently, and the remainder are expected to leave over the next few months.

The officials also said that with the departure of the last Soviet submarine and large warship from the base, the remaining flotilla was made up of about 10 naval support ships and a handful of mine-warfare, amphibious-landing and patrol vessels.

Six Tu-95 Bear long-range maritime reconnaissance and anti-submarine warfare planes continue to operate from Cam Ranh Bay.

A Soviet electronic surveillance and interception center also remains operational, and some con-

See PULLOUT, Page 6

Campeau Units Seek Bankruptcy Protection

By Lawrence Malkin
International Herald Tribune

NEW YORK — The U.S. retail subsidiaries of Canada's Campeau Corp. filed for bankruptcy protection Monday, in a move that is likely to send ripples through U.S. financial markets for a long time.

Aside from the disruption to the huge department-store chains that make up Campeau's properties, the bankruptcy filing casts doubt on other retail-store buyouts in a period of sluggish retail sales.

Farther afield, the merger and acquisition wave and the junk bonds that financed it will certainly slow down. "Takeovers are not over, but they will be a little more difficult and maybe a little more rational," said Roger Brinner, chief financial economist of DRI Inc.

A. Gary Shilling, a New York economic consultant who takes a gloomy view of the U.S. economy, said the first thing the Campeau filing made him ask was "Who's next?"

"These takeovers were predicated on selling off assets at high prices," Mr. Schilling said, "and you can't raise that sort of money now to finance them.

"The acid test for these LBOs now is approaching. If you can sink a ship under a load of debt that's already sailing well, what's going to happen when the seas get rough in a recession and the weaker companies start to founder?"

In the financial markets, analysts foresaw much closer examination of bonds. Paul H. Ross, managing director at Salomon Brothers Inc., said that senior, junior and inter-

See CAMPEAU, Page 14

In U.S., the Stretch Limo Pulls Over and Gasps

By Steven A. Holmes
New York Times Service

NEW YORK — The market for stretch limousines — the raw-money status symbols that came with the economic exuberance of the 1980s — is shrinking. Production is falling, companies are folding and the car surgeons in a once-booming industry are predicting lean times.

A slowing U.S. economy, layoffs on Wall Street and a depressed real estate market have all crimped the pocketbooks of the former free spenders who were so fond of sleek, smoked-glass behemoths. The softened economy has also reduced demand for the services of hundreds of livery companies in U.S. cities.

A clear sign of the troubles came last week when AHA Automotive Technologies Corp. went bankrupt. The Canadian company was one of North America's largest makers of outsized limousines.



Nicolas Asfouri

"There has been a tremendous shakeout in our business," said Jack Schwartz, president of Dillinger-Gaines Coachworks Ltd., a New York-based producer of stretch limousines. "You'll see a few more people who will go out of business in a little while."

As a social phenomenon, the stretch limo has generated both devotion and animosity.

Even among people with the money to afford them, the cars' proliferation produced opposing camps of opinion — those who viewed the limos as well-earned reward for hard work and nay-sayers who refused to set foot in what they viewed as a hallmark of nouveau-riche excess. For some

See LIMO, Page 6

The Chinese-Soviet Impasse: Efforts for Asia Peace May Suffer

By Patrick L. Smith
International Herald Tribune

NEWS ANALYSIS

TOKYO — A year after China and the Soviet Union began to advance toward a historic reconciliation, diplomats and policy analysts are now trying to calculate the effect of a new freeze in relations between the two Communist powers that has been increasingly evident since Eastern Europe's dramatic opening to the West.

As Beijing toughens its position toward the Soviet leader, Mikhail S. Gorbachev, and the events in Europe he is seen to have unleashed, China's increasing isolation could worsen prospects for the resolution of military, political and diplomatic conflicts throughout the region, these officials say.

Any decision in Beijing to reflect its new conservatism in a reshaped foreign policy is likely to encourage renewed tension on the Korean peninsula and complicate Moscow's recent efforts to resolve disputes blocking improved ties with Tokyo, officials and analysts say.

More immediately at issue is China's conduct at two days of talks in Paris, ending Tuesday, which are aimed at moving toward settlement of the 11-year conflict in Cambodia. Diplomats are watching to see how Chinese officials react to a peace plan that has won broad support from the Soviet Union and other nations.

All of these issues had been expected to be influenced positively by the slow but steady reduction of tensions between Moscow and Beijing in recent years. For Mr. Gorbachev, warmer ties with China were to be the first step in a broader effort to advance the Soviet Union as a participant in the Pacific region's economic growth.

These expectations culminated in Mr. Gorbachev's trip to Beijing last May, the first by a Soviet leader in more than 30 years. But Mr. Gorbachev's arrival encouraged the demonstrators for more democracy and threw the leadership in Beijing into a defensive posture that since has steadily solidified.

Few diplomats expect a return to the "Communist Cold War" of the 1950s and 1960s, as one put it. But Beijing's recent behavior, including a sharp attack on Mr. Gorbachev in an internal document disclosed last month, raises the specter of a newly intractable China at just the moment it was emerging as an important force in global affairs, these observers say.

"We are probably looking at a freeze or a slowdown of progress between China and the Soviets, rather than a complete reversal of course," said Harry Harding, a senior foreign policy fellow at the Brookings Institution in Washington. "But the consequences, like the causes, will be dramatic."

On recent visits to Beijing, ranking Soviet officials have sought to minimize the new schism by conducting talks on such matters as party-to-party relations in a notably low-key manner. Igor A. Rogachev, the deputy foreign minister, completed a trip late last week by suggesting that progress had been made on the Cambodia issue, although neither he nor the Chinese offered any direct examples.

China's recent attack on Mr. Gorbachev followed the same pattern. Although charging the Soviet leader with "the subversion of socialism," the document instructed party officials to respond in a neutral fashion when questioned by foreigners on such subjects as the overthrow and execution of Nicolae Ceausescu in Romania.

Clearly, neither side wants to see tensions mount again. But analysts suggested that both Moscow and Beijing were now engaged only in an effort to preserve the imagery of Communist détente, while neither power appears prepared yet to disclose — or even assess, some believe — the damage done to the reconciliation process.

Nonetheless, evidence of change in areas crucial to both nations is already apparent. China has eased the isolation North Korea felt a year ago, when Beijing and Moscow were drawing closer to Seoul, to the dismay of their traditional ally on the Korean peninsula.

By extending the hand of political friendship once again — most recently during a visit to Beijing last fall by the North Korean leader, Kim Il Sung — China has given Pyongyang a new source of strength and a new opportunity to balance off its two principal patrons, an exercise that has long added to keeping Korean tensions high.

In recent speeches, Mr. Kim has taken full advantage of China's evolving position, according to analysts following North Korean affairs. And in allusions to China and Cuba, Pyongyang's official party newspaper called last month for the North's allies to resist changes taking place elsewhere in the Communist world.

"Because of the European situation and Kim's succession problems, Pyongyang was in a very weak position in its external dealings," said Takashi Inoguchi, a political scientist at Tokyo University. "But China is now reinforcing the North by making its isolation easier to live with."

Given the talks taking place in Paris this week, the issues at stake in Indochina are more concrete for Beijing. Diplomats and analysts view the occasion as a crucial indicator of how China's new conservatism and its isolation among Communist nations will influence foreign policy in coming years.

Several options have been open to China since the last round of Paris negotiations ended inconclusively in September. Chief among them are acceptance of a widely supported plan providing for an interim United Nations administration and modification of its support for the Khmer Rouge as an equal partner in a proposed coalition government.

At various moments, Beijing has hinted that either of these shifts in policy could be made.

Less clear is how efficiently Moscow will address its troubled ties with Japan, in view of the shift in its relations with Beijing. The prospect of improved bilateral relations, long overshadowed by a postwar territorial dispute, increased significantly with the prospect of a visit by Mr. Gorbachev. The former Japanese foreign minister, Shintaro Abe, said after meeting in Moscow with the Soviet leader on Monday that Mr. Gorbachev would try to visit Japan this spring.

Some analysts believe that Moscow may now shift its priorities toward Japan by redoubling its effort to resolve the territorial dispute, which has abraded economic and political ties since the 1950s.

Of overriding concern in Washington and many other capitals is the prospect of a China forced by the timing of domestic and international events to take refuge in a small clique of conservative Communist nations that would not extend significantly beyond North Korea and Cuba.

Viewed in this context, some diplomats suggest, President George Bush's overtures toward Beijing since the crackdown on demonstrators for democracy last June should have won greater support. Analysts in Tokyo say that an unstated concern in Washington has been to maintain a balance in East Asia between Japan's increasing weight in the region and China's growing acceptance among neighboring nations.

Ironically, what was widely viewed as a common interest in economic changes in China and the Soviet Union had worked in support of the U.S. effort to encourage an open and flexible administration in Beijing. The question now, observers believe, is the extent to which a new coolness in Chinese-Soviet ties will have the opposite effect.

An East-West First: Joint Military Talks

By R. Jeffrey Smith
Washington Post Service

VIENNA — Military leaders from Eastern and Western military alliances, meeting here at a time of tumultuous change in European security relations, will begin their first joint discussions of strategy, spending and force deployments on Tuesday.

A large U.S. delegation headed by General Colin M. Powell, chairman of the Joint Chiefs of Staff, will question Warsaw Pact officials about the military consequences of political changes promised by new leaders in each of the six nations that with the Soviet Union make up the Eastern alliance.

These include decreased emphasis on military spending, the elimination or sharp curtailment of Communist Party influence over the military, and, in some cases, an extraordinary drive to rid their territory of Soviet troops more quickly than a proposed East-West treaty on conventional forces.

The Warsaw Pact "hasn't completely disappeared," said John J. Maresca, U.S. representative to the 35-nation conference on Confidence and Security-Building Measures, which organized the two-week session. But he said there was obviously "a greater willingness by these 'pact' countries to take positions based on their national interests" instead of following orders from Moscow.

Mr. Maresca noted that five of the seven Warsaw Pact military leaders at the conference have been appointed in the last month, which raises questions about East European military doctrine and planning. Of the Warsaw Pact political leaders who initially called for the conference in a 1987 communiqué, only the Soviet leader, Mikhail S. Gorbachev, remains in power.

"We have been looking for some time to have a freer discussion between military officers on both sides," he said, "but of course we could not have anticipated just how relevant this meeting would be" during the initial discussions about it last summer.

The sessions, officially closed to the press, have been billed as an extended "seminar" that will produce no agreed-upon public statement or will advance current arms control negotiations. They will instead afford what the organizers call an opportunity to investigate the relationship between East and West military deployments and the intentions of those who direct such forces.

In the past, most Western governments have deliberately shunned any analysis of Warsaw Pact military intentions, arguing that only force levels matter and that Western decisions must be made on the basis of independent, worst-case estimates.

"This is an experiment," said Mr. Maresca, a former deputy assistant secretary of defense under Caspar W. Weinberger and the assistant secretary for international security policy, Richard N. Perle. "This element of the military balance is obviously a key to mutual confidence, but up to now it has been most difficult to grasp."

General Powell, evidently seeking to collect as much information as possible on the new leaders, has bolstered the 76-member U.S. delegation with military intelligence specialists on Soviet and allied forces.

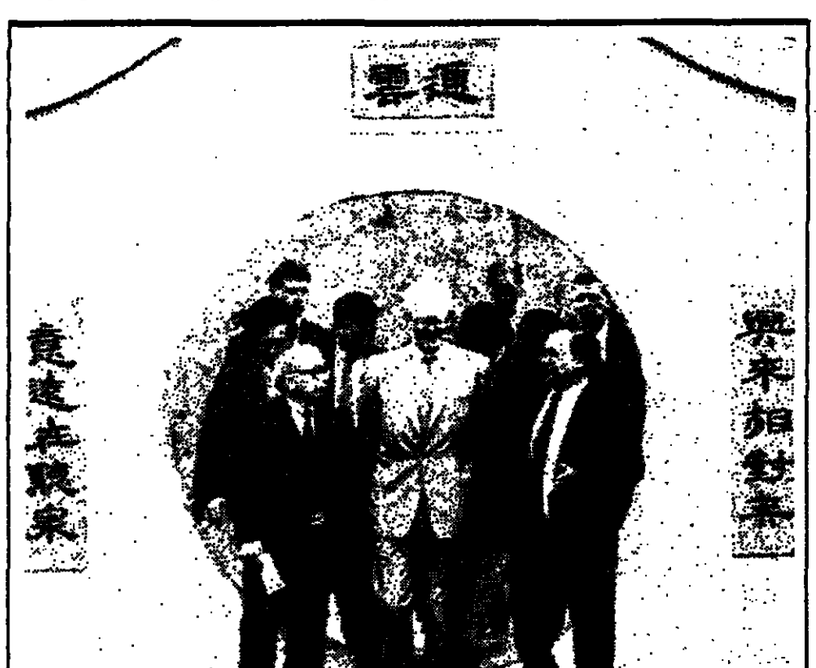
Mr. Maresca will be the host at a lunch Tuesday for Warsaw Pact military chiefs, and General Powell will also meet with each of them, including his Soviet counterpart, General Mikhail A. Moiseyev.

David S.C. Chu, the U.S. assistant secretary of defense for program analysis and evaluation, will also discuss current and future military spending with Soviet and Eastern European officials.

The arrival of General Moiseyev and his 14-member delegation was delayed Monday. Soviet officials said they did not believe it was related to the turmoil in Azerbaijan.

U.S. analysts who have assisted in the preparations for the meeting said the following recent developments raise new questions about the viability of the Warsaw Pact as a cohesive, effective military alliance:

- Four of the non-Soviet Warsaw Pact members recently announced military spending cuts of up to 25 percent for next year, with some specifically pledging to scale back purchases of high-technology weapons, trim the number of reservists, and shorten mandatory military service.
- Their projected troop cuts are in some cases proportionally much larger than those planned by the Soviet Union, a development given added weight because non-Soviet troops make up about 60 percent of total Warsaw Pact forces.
- Newly empowered popular legislatures in Poland, Czechoslovakia, and Hungary have declared that their approval must be given before military forces can be used outside national territory. The decision appears to invalidate a previous mechanism for direct Soviet control of Warsaw Pact forces.
- The Czechoslovak government, acting against Moscow's preference, has demanded the complete withdrawal of 75,000 Soviet troops from its territory by the end of the year, arguing that their presence is totally without justification.



Tommy Clegg/Agence France-Presse

Foreign Secretary Douglas Hurd, center, touring a housing estate in Hong Kong on Monday. He said the final chapter of Britain's administration of the colony must be "an honorable one."

Hurd Says Hong Kong Must Face Reality

Compiled by Our Staff From Dispatches

HONG KONG — The British foreign secretary, Douglas Hurd, pledged continuing support for Hong Kong on Monday but said the British colony must face up to the reality that it would revert to China in 1997.

"We must do what we can to ensure the final chapter in our long administration of Hong Kong is an honorable one and one which ends successfully," he said.

"The basis of the future is not independence. But the basis of the future is one country, two systems," he said, referring to China's pledge to continue Hong Kong's capitalist system for at least 50 years after 1997.

Mr. Hurd, on a four-day visit to the territory, said Hong Kong would have more extensive direct elections next year than Britain had initially proposed. He also said Britain's interest in Hong Kong would extend past 1997, when the Communist mainland government takes control.

Beijing has warned it will not tolerate the widespread changes demanded by Hong Kong and has threatened to repeal them when it resumes sovereignty over the British colony.

In another development, the official Chinese news agency, Xinhua, said Monday that a deputy foreign minister, Zhou Nan, had been named China's chief representative in Hong Kong. Mr. Zhou is seen as an ally of the hard-line prime minister, Li Peng.

Also on Monday, the human-rights group Amnesty International strongly criticized Britain and Hong Kong for the treatment of Vietnamese "boat people," saying it had evidence of brutal behavior by police and prison guards.

(UPI, Reuters, AP)

Cambodian Peace Talks Start in Paris

By Edward Cody
Washington Post Service

PARIS — The five permanent members of the UN Security Council began a new effort Monday to find a diplomatic solution to the war in Cambodia and to prevent the Khmer Rouge from fighting their way back to power in Phnom Penh.

Citing a growing consensus on having the United Nations enlarge its role, officials said two days of talks among the five nations — the United States, the Soviet Union, Britain, France and China — represented a chance to revive the momentum that was lost when a French-sponsored Cambodian peace conference broke down Aug. 31.

Diplomats involved in the renewed peace initiative have also been spurred on by reports from Cambodia that fighting may be intensifying. The Khmer Rouge, apparently timing moves for the peace talks here, announced Jan. 7 that they had attacked Battambang, an important provincial center, and several villages on the outskirts of Phnom Penh.

Although the scope of these attacks was unclear, their announcement underscored the threat posed by the Khmer Rouge, who get their arms from China and who are by far the largest and most effective fighting force in a three-part rebel alliance fighting to overthrow Prime Minister Hun Sen's Vietnamese-backed government.

The French foreign minister, Roland Dumas, inaugurated discussions with a reminder that the five governments held a special responsibility for restoring peace to Cambodia and blocking the Khmer Rouge from returning to power.

He singled out China, saying, "Some have an important influence on the protagonists."

It was a clear allusion to Chinese support for the Khmer Rouge.

"Everything must be done to prevent this return and, under the aegis of the international community, to replace the threat of arms with a political solution that permits the Cambodian people to decide their future through free elections," Mr. Dumas said.

He spoke as Foreign Minister Ali Alatas of Indonesia sought to organize for next month an informal Cambodia peace meeting in Jakarta, where Asian governments and the Cambodian rebel factions could weigh the outcome of the big-power deliberations in Paris.

"Things are moving," Mr. Alatas said Sunday in Vietnam.

The UN-based peace plan, sponsored by Australia, has aroused hope by shifting emphasis away from earlier efforts to form a provisional coalition in Phnom Penh comprising Mr. Hun Sen's government and the rebel alliance. Last summer's peace conference collapsed mainly over refusals by Mr. Hun Sen and his Vietnamese backers to accept any Khmer Rouge participation in the coalition.

The Australian foreign minister, Gareth Evans, proposed in November that these fears be met by having the UN assume temporary authority for enforcing a cease-fire and helping organize elections for a new government.

The United States — represented here by the assistant secretary of state for East Asian and Pacific affairs, Richard H. Solomon, and the assistant secretary of state for international organization affairs, John R. Bolton — has endorsed an enhanced UN mission in Cambodia. But U.S. officials have posed questions about details of the Australian plan.

The United States, while sharing the widespread resolve to keep the Khmer Rouge out of power, has continued to provide aide to their partners in the rebel alliance — the factions led by Prince Norodom Sihanouk, titular leader of the alliance, and Sonn Sann, a former prime minister — on grounds that the Hun Sen government was installed by Vietnam and lacks legitimacy.

Bush Aide Pushing Arms Cuts

Washington Post Service

WASHINGTON — The national security adviser, Brent Scowcroft, is pressing for a new arms-control proposal aimed at eliminating two major U.S. and Soviet strategic missile systems, but he has yet to overcome opposition by Defense Secretary Dick Cheney and to win the endorsement of President George Bush, U.S. officials say.

Mr. Scowcroft has told Mr. Bush and other senior U.S. officials that he favors presentation of the proposal to ban mobile, land-based missiles carrying multiple warheads at a Feb. 6-7 meeting in Moscow between Secretary of State James A. Baker 3d and the Soviet foreign minister, Eduard A. Shevardnadze. The meeting is advertised as a planning session for a meeting between Mr. Bush and the Soviet president, Mikhail S. Gorbachev, in late June.

The proposal, which has also attracted support from important congressional leaders, would bar future U.S. deployment of 50 MX missiles carrying 10 warheads apiece aboard railroad cars to be moved from site to site to escape a preemptive Soviet attack. In exchange, Moscow would have to eliminate roughly 20 SS-24 missiles now deployed on rail cars and pledge not to deploy any more of the 10-warhead weapons.

Mr. Scowcroft has contended that killing both rail-based missile systems would limit risks associated with a future U.S.-Soviet accord on strategic missiles by wiping out powerful weapons that potentially could be hidden.

But when Mr. Cheney and Mr. Scowcroft clashed over the idea at a recent White House meeting on strategic arms-control issues, no other top military or diplomatic advisers came to Mr. Scowcroft's defense. As a result, several of the participants have said privately that they believe the idea is unlikely to be presented before the U.S.-Soviet negotiations are concluded later this year.

This outcome runs counter to the advice of the Senate Armed Services Committee chairman, Sam Nunn, Democrat of Georgia, who has told the White House that including the proposed missile ban would make a new arms accord more popular on Capitol Hill.

Mr. Nunn also warned that Congress, which narrowly approved preliminary construction of the rail-mobile MX system last year, would probably vote to kill it this year unless it becomes a bargaining chip in the arms negotiations.

Mr. Nunn and Mr. Scowcroft have said they favor eliminating the MX and the SS-24 as the first step toward eliminating all multiple-warhead missiles. Nuclear analysts consider such missiles optimum for preemptive nuclear strikes.

According to this theory, military planners would be more likely to initiate a nuclear attack in the midst of an international crisis if they believe only a few missiles such as the MX or the SS-24, each carrying many warheads, could be used to destroy many enemy targets, leaving the side that goes first with a relative advantage.

Single-warhead missiles, in contrast, are considered less destabilizing because the attacking side would be forced to expend as many or more such missiles than it destroys.

Although the administration is considering unilaterally eliminating the entire force of 450 single-warhead Minuteman-2 missiles, it is also planning to begin building a new force of single-warhead Midgetman missiles in coming years.

— R. JEFFREY SMITH

Breakaway Communist Is Elected in Lithuania

The Associated Press

MOSCOW — The head of Lithuania's Communist Party was overwhelmingly elected as the republic's president on Monday in a clear endorsement of his defiant stand toward Moscow.

Algirdas Brazauskas was elected, 228 to 4, with 19 abstentions, by the republic's Supreme Soviet, the Soviet press agency Tass reported.

Mr. Brazauskas, 57, ran against Kazimeras Motieka, a national legislator, and Romualdas Ozolas, a leader of the pro-independence group Sajudis.

Mr. Brazauskas has been the first secretary of the Lithuanian Communist Party since Oct. 20, 1988. His new title, the equivalent of president, is chairman of the Presidium of the Lithuanian Supreme Soviet. He takes over from Vytautas S. Astrauskas, who resigned.

Edvardas Potasinskas, a Lithuanian TV journalist who closely watches politics in the republic, said the vote would "strengthen the position of Brazauskas in dealing with Moscow."

Mikhail S. Gorbachev, the Soviet leader, visited Lithuania for three days last week to try to persuade the Communists to reverse their decision of Dec. 20 to break away from the national party. The Lithuanians refused to budge.

Mr. Potasinskas said the Supreme Soviet had also voted to impose a 10-year residency requirement on military personnel for voting in local elections on Feb. 24. That will limit voting rights to natives of Lithuania who are serving in their home republic and to a few other officers who have served there for many years.

Some Lithuanian activists fear that their candidates would not fare as well if all military personnel were allowed to vote.

Italian Fascists Elect Leader

Reuters

RIMINI, Italy — The neo-fascist Italian Social Movement, or MSI, Italy's fourth-largest party, elected Pino Rauti, 64, as its new leader on Monday in a close vote at the end of a four-day congress.

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WORLD BRIEFS

Syrian-Soviet Pullout Accord Cited

NICOSIA (AP) — Syrian and Soviet military leaders have agreed on the withdrawal from Syria of "a number" of Soviet military instructors, a Syrian source said Monday.

The source, speaking on the condition of anonymity, said the withdrawal was agreed on during a visit to Moscow last month by Deputy Prime Minister Mustafa Tlas, also Syria's minister of defense. He said Major General Tlas had negotiated with members of the Soviet military council.

The source denied news reports in Israel that the withdrawal involved thousands of Soviet personnel. The 1989-90 Military Balance, an annual survey of global military strengths, put the number of Soviet military personnel in Syria last year at 2,000, down from 4,000 in 1988.

44 Hurt in Bologna Post Office Blast

BOLOGNA, Italy (AP) — Masked gunmen raided a post office Monday and set off a bomb to open its safe, wounding at least 44 persons who had lined up to collect their pensions, the police said.

The police said pension payments had just began when at least three persons armed with rifles and pistols rushed into the post office, fired shots into the air and shouted, "This is a robbery!" The police chief, Luciano Cannarozzo, said the ensuing bomb explosion knocked down a wall, partly burying bags filled with the equivalent of $500,000 in pension money.

Mr. Cannarozzo said the bomb may have gone off prematurely; one assailant was apparently injured. The robbers, including at least two outside, fled in two cars. The haul was believed to have been limited to several thousand dollars.

ANC Leaders Meet in Zambia Capital

LUSAKA, Zambia (AP) — Aged leaders of the African National Congress who spent the past quarter-century in South African prisons had an emotional reunion Monday with the exiled leadership of their guerrilla movement.

The reunion was to be followed by talks on how the ANC should respond to the rapidly changing political situation in South Africa. President Frederik W. de Klerk is urging the ANC and other opposition groups to join in negotiating a new constitution that would extend some form of political rights to blacks.

Two of eight freed ANC men, Walter Sisulu, 77, and Govan Mbeki, 79, were embraced at Lusaka's airport by sons they had not seen since they were convicted along with Nelson Mandela at a treason and sabotage trial in 1964.

Remembering Martin Luther King

ATLANTA (AP) — Worshipers at the church of the Reverend Martin Luther King Jr. were urged Monday, the slain civil rights leader's birthday, to keep alive his memory and philosophy of nonviolence.

"This is a man who is a deep current in our memory," said the Reverend Cecil Williams at the annual ecumenical service at Ebenezer Baptist Church. "Let us live then not only his dream, but let us live the practice of nonviolence and unconditional love," said Mr. Williams, who is pastor of Glide Memorial United Methodist Church in San Francisco.

Church services, parades and other observances were held across the United States during the weekend before the federal holiday, which for the first time fell on Mr. King's actual birthday. He would have been 61 on Monday.

India Accuses Pakistan of Interfering

NEW DELHI (Reuters) — India accused Pakistan on Monday of backing Muslim militants in Kashmir, where at least 23 people have died in a week of secessionist violence.

A spokesman for the Indian External Affairs Ministry said, "The only issue to be resolved is vacation of those areas of the state which are illegally occupied by Pakistan." New Delhi said a Pakistani statement on Sunday that it was deeply worried by violence in Kashmir was wanton interference in Indian affairs.

Anti-Indian violence in Kashmir, India's only state with a Muslim majority, has become a challenge to the government of Prime Minister Vishwanath Pratap Singh. The two countries have fought two of their three wars over Kashmir. India holds two-thirds of the strategic territory and Pakistan the rest.

For the Record

Unidentified attackers stabbed a female Israeli soldier inside Jerusalem's Old City on Monday, the police said. She was stabbed six times but was not seriously wounded, a witness said. *(Reuters)*

Correction

An item in American Topics in the Monday editions misstated a lower court ruling on U.S. constitutional protections against unreasonable and search and seizure. The ruling said the protections did not apply to cordless telephones.

TRAVEL UPDATE

Railroad Service Is Cut in Canada

TORONTO (AP) — Thousands of people demonstrated across Canada as subsidy reductions left some communities without passenger train service on Monday.

The government decided in October to cut Via Rail subsidies to $350 million by 1992, from $640 million in 1988. As a result, 17 of Via Rail's 38 routes were eliminated, as were 2,700 jobs, 38 percent of the work force. Service reductions went into effect after a federal court ruled that a formal environmental review was not needed.

The final daily run of the transcontinental Canadian was made Sunday. As of Monday, the Canadian was being rerouted and reduced to three times a week. The last passenger run from Sydney in Nova Scotia to Halifax was canceled Sunday because protesters padlocked themselves to a locomotive.

Israel and Czechoslovakia plan to establish air links by September, the Davar newspaper of Tel Aviv reported Monday. It said representatives of the Israeli national carrier, El Al, and of CSA of Czechoslovakia reached the agreement in principle last week in Prague. *(AFP)*

The authorities in Baghdad have closed down four restaurants in the Babylon-Orbio Hotel because food tainted with salmonella and other bacteria has been served there, the official Iraqi News Agency reported Monday. *(AP)*

Smog reduced visibility at the Ankara airport to 100 meters on Monday, which caused the cancellation of many flights for the second day, state-run Turkish radio reported. *(Reuters)*

At least 10.7 million Japanese will travel overseas this year, up 10 percent from last year, the Japan Travel Bureau said Monday. It estimated that overseas travelers would spend an average 450,000 yen ($3,090) per trip. *(AFP)*

WEATHER

EUROPE

	HIGH C	HIGH F	LOW C	LOW F	
Amsterdam	10	50	1	34	r
Athens	—	—	—	—	no
Barcelona	12	55	4	39	r
Belgrade	1	34	-3	26	s
Berlin	5	41	1	34	c
Brussels	7	45	2	36	r
Budapest	-1	30	-4	25	sf
Copenhagen	3	37	1	34	r
Costa Del Sol	13	55	6	43	s
Dublin	8	46	4	39	r
Edinburgh	13	55	7	45	r
Faro	17	63	5	41	s
Florence	6	43	-6	21	s
Frankfurt	5	41	1	34	c
Geneva	1	34	-1	30	c
Helsinki	-5	23	-8	18	sf
Las Palmas	20	68	14	57	s
Lisbon	12	54	6	43	s
London	12	54	6	43	c
Luxembourg	4	39	0	32	c
Madrid	6	43	0	32	s
Milan	4	39	0	32	c
Moscow	-12	9	-20	-4	sf
Munich	4	39	-1	30	c
Nice	14	57	5	41	s
Oslo	6	43	0	32	r
Paris	8	46	6	43	r
Prague	4	39	-1	30	sf
Reykjavik	3	37	0	32	c
Rome	11	52	6	43	s
Stockholm	1	34	0	32	sf
Strasbourg	3	37	0	32	c
Venice	10	50	3	37	s
Vienna	0	32	-2	28	sf
Warsaw	-1	30	-7	19	sf
Zurich	3	37	-2	28	sf

MIDDLE EAST

Ankara	—	—	—	—	no
Cairo	18	64	9	48	s
Istanbul	—	—	—	—	no
Jerusalem	8	46	1	34	r
Tel Aviv	21	70	10	50	s

OCEANIA

Auckland	—	—	—	—	no
Sydney	21	70	13	64	sh

ASIA

	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	33	91	25	77	s
Beijing	3	37	-6	21	s
Hong Kong	21	70	15	59	s
Manila	31	88	21	70	s
New Delhi	21	70	11	52	s
Seoul	-3	27	-9	15	s
Shanghai	3	37	-5	23	s
Singapore	31	88	24	75	t
Taipei	21	70	13	55	s
Tokyo	9	48	1	34	s

AFRICA

Algiers	17	63	9	48	s
Cape Town	27	81	16	61	s
Casablanca	17	63	7	45	s
Harare	23	73	13	55	s
Lagos	31	88	23	73	t
Nairobi	25	77	13	55	s
Tunis	16	61	9	48	s

LATIN AMERICA

Buenos Aires	35	95	27	81	s
Lima	28	82	19	66	s
Mexico City	23	73	9	48	s
Rio de Janeiro	30	86	24	75	s

NORTH AMERICA

Anchorage	-2	28	-10	14	sf
Atlanta	17	63	7	45	s
Boston	9	48	1	34	sf
Chicago	7	45	-1	30	sf
Denver	5	41	-5	23	sf
Detroit	9	48	1	34	sf
Honolulu	27	81	21	70	s
Houston	22	72	12	54	s
Los Angeles	19	66	9	48	s
Miami	26	79	18	64	s
Minneapolis	1	34	-9	15	sf
Montreal	-1	30	-8	18	sf
Nassau	27	81	21	70	s
New York	7	45	3	37	sf
Phoenix	17	63	8	46	s
San Francisco	12	54	6	43	s
Seattle	8	46	2	36	sf
Toronto	4	39	-2	28	sf
Washington	10	50	2	36	s

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; sc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

TUESDAY'S FORECAST — CHANNEL: Rough. FRANKFURT: Overcast. Temp. 4 — 1 (40 — 41). LONDON: Overcast. Temp. 11 — 9 (52 — 48). MADRID: Fair. Temp. 8 — 1 (46 — 34). PARIS: Cloudy. Temp. 10 — 1 (50 — 34). ROME: Fair. Temp. 10 — 1 (50 — 34). TEL AVIV: Not Available. ZURICH: Overcast. Temp. 6 — 2 (43 — 36). BANGKOK: Partly cloudy. Temp. 32 — 24 (90 — 75). HONG KONG: Partly cloudy. Temp. 8 — 1 (46 — 34). MANILA: Fair. Temp. 31 — 20 (88 — 68). SEOUL: Snow. Temp. 2 — 2 (36 — 28). SINGAPORE: Showers. Temps. 27 — 24 (84 — 75). TOKYO: Cloudy. Temps. 4 — 1 (39 — 34).

Panama Begins to Work Again

Government Restores Wages, Water, Power and Phones

By David E. Pitt
New York Times Service

PANAMA CITY — Slowly, sometimes painfully, the new civilian government here has begun grappling with the problems of getting post-Noriega Panama up and running again.

There are already some success stories.

In the three and a half weeks since President Guillermo Endara was sworn in, hours after a U.S. invasion force ended the six-year rule of General Manuel Antonio Noriega, basic municipal services have been restored, and many schools and banks are preparing to reopen.

On Monday, Mr. Endara met his first full, on-time payroll, issuing salary checks to more than 100,000 government employees.

In the capital and many outlying areas, garbage collectors have resumed regular pickups, many of them driving trucks repaired with the help of American troops. Street lamps and traffic lights, scores of which were shot out in the fighting, have been repaired.

Telephone service, water, and electricity have been restored "pretty much to pre-conflict levels," a U.S. military adviser said, although the sewerage system, parts of which were apparently sabotaged, still needs work.

> **"There's a very strong desire, not only in the government but among *Panamanians* generally, to keep the troops here *much longer than* the U.S. wants."**
> **Louis Martinz, a Endara aide**

Airports are struggling back toward normalcy. Over the weekend, the runway of a local airstrip known as Paitilla — the scene of a fierce firefight on Dec. 20 between U.S. Navy commandos and Panamanian troops — was finally cleared of debris, including the former general's damaged private jet, which was carried away by an American helicopter.

But despite the progress, Mr. Endara, 52, a lawyer who had never held public office before, presides over a largely untested group of leaders who have not had nearly enough time to begin to free themselves of dependence on the United States for armed protection, financial aid, and technical advice.

On Saturday, the newly appointed U.S. ambassador, Deane R. Hinton, said the remaining 20,000 American troops in Panama would be withdrawn either to their bases here or to the United States as soon as possible, "hopefully in a matter of weeks."

But Panamanian officials say they cannot possibly attend to the country's most pressing needs *without a continuing U.S. military* presence, certainly for many months to come.

"There's a very strong desire, not only in the government but among Panamanians generally, to keep the troops here much longer than the U.S. wants," Louis Martinz, a senior Endara aide, said Sunday.

Many ordinary Panamanians also seem haunted by the fear that without the troops in the streets, diehard Noriega loyalists might someday try to strike back with terrorist tactics.

In the past week, 300 civil-affairs advisers from the U.S. military — half of them reservists, all under the supervision of the U.S. Embassy and the civilian Agency for International Development — have begun answering requests from such ministries as Health, Education, Public Works, and the new police agency known as the Public Forces for suggestions on how to solve specific problems and reorganize their bureaucracies.

The Endara government's biggest single problem is building a police force capable of maintaining public order, guarding the Panama Canal, and keeping the country free of drug traffickers — while at the same time remaining fully answerable to the civilian authorities.

The new government's continuing reliance on U.S. troops is a consequence of the fact that when General Noriega's 15,000-member National Defense Forces collapsed in defeat, the country was left not only without an army, but without customs and immigration authorities; a municipal, port, and transit police; a presidential guard; a coast guard; and even a forestry police.

So far, the newly formed Public Force, a 1,000-member police agency composed of former Noriega troops, is keeping order in the streets by patrolling jointly with U.S. combat units. The only ones on their own are 150 traffic police officers posted at intersections.

■ Cuban Envoy Detained

U.S. soldiers briefly detained the Cuban ambassador on Sunday, The Associated Press reported from Panama City. It was the second time he was stopped and searched since the invasion to overthrow General Noriega.

At a roadblock outside the Cuban Embassy, U.S. troops stopped Ambassador Lazaro Mora Secada and two other embassy officials, the Cuban consul said. "The ambassador was going home in a vehicle with diplomatic plates," said the consul, José Luis Mendez. A U.S. Embassy official confirmed the report, and added that the ambassador had been released.



Carlos Guardia/Agence France-Presse

President Guillermo Endara, who met his first payroll of 100,000 government workers on Monday.

Foreigners Leaving Peru and Terrorism

By James Brooke
New York Times Service

LIMA — The killing of two French sightseers in the Andean highlands last week highlights how terrorist attacks are forcing a wide withdrawal of foreign aid workers, archaeologists and tourists from remote areas of Peru's mountainous interior.

The police said over the weekend that guerrillas of the Shining Path movement had stopped a bus carrying 72 passengers between the highland cities of Ayacucho and Andahuaylas. The guerrillas singled out Stephane Marino and Christelle Berthelot, both 22, and shot them by the side of the road.

The Maoist Shining Path is believed responsible for most of the 10 other foreigner slayings in rural Peru in the last year.

Peru's major tourist destinations — Lima, Cuzco and Machu Picchu — are generally considered safe, but tourism to remote areas has dropped dramatically.

To give the army a freer hand in combatting terrorism, the government has declared a state of emergency in two thirds of the nation of 1.25 million square kilometers (496,225 square miles).

"My business went down 40 percent last year," said an operator in Lima who organizes hiking and white-water rafting trips in remote mountain areas.

The decline prompted him to expand his business to neighboring Chile and Ecuador, countries without significant guerrilla problems.

Last month, the International Potato Center signed agreements to move high-altitude research from Peru's highlands to Ecuador.

In the last 18 months, Shining Path guerrillas twice attacked the center's installation near Huancayo. After the chief of security was killed, all foreign researchers were moved to the center's headquarters in Lima.

"Now, our scientists go to Huancayo on short notice and return quickly, preferably in the same day," said José Valle Riestra, deputy director of the center.

Spreading violence has also forced foreign aid groups to pull out of most of the mountainous interior. The longstanding poverty and government abandonment of these areas have fed the 10-year rebellion.

"There is a general withdrawal of foreign aid workers from the countryside to the major cities," said Patrick Gallard, a French agricultural development worker who coordinates an informal association of foreign aid groups.

Mr. Gallard said that only one aid group, from Austria, decided to leave Peru last year. But he said most groups were turning from rural development activities to providing food and other emergency assistance to city slum-dwellers.

"More than half of the aid workers are now in Lima," he said. The national capital holds about a third of Peru's 21 million people.

Taking security precautions a step further, the Ford Foundation this week will complete the relocation of all its U.S. officers from Lima to New York, where the foundation is based.

Another category of foreigners often found in Peru's interior is pulling back from areas containing rich Inca ruins. "The numbers of foreign archaeologists working in the sierra has dropped off sharply," said Federico Kauffmann Doig, a leading Peruvian archeologist.

Laurence Peter Dies, Wrote 'Peter Principle'

By James Barron
New York Times Service

Laurence J. Peter, 70, who climbed the best-seller lists with a book meant to satirize ladder climbers everywhere, died Friday at his home in Palos Verdes Estates, California, of complications after a stroke that he suffered in January 1988.

The Peter Principle, introduced in a 1969 book of the same name that Mr. Peter wrote with Raymond Hull, became as much a part of the language as Murphy's Law and Catch-22. According to the Peter Principle, "In a hierarchy every employee tends to rise to his level of incompetence."

Mr. Peter's 179-page explanation of why this was so contained example after example of people whose reward for a job well done was a promotion — and responsibilities they could not handle, which meant no further promotions.

He found such people in businesses, school systems, government agencies, churches and political parties. "The cream rises until it sours," he wrote, summarizing the result: Every bureaucracy was made up almost entirely of people who did their jobs inadequately.

The principle appealed to middle-level bureaucrats whose shaky pretensions to power the book unmasked. These would-be ladder climbers liked his description of the boss. "In every thriving organization," he said, "there is a considerable accumulation of dead wood at the executive level."

The book outlined the hazards of ladder climbing, including ulcers, alcoholism, allergies and "Tabulatory Gigantism" — the obsession with having a bigger desk than one's colleagues. Mr. Peter maintained that his principle was "the key to an understanding of the whole structure of civilization." He also said he was only kidding.

Thirty publishers turned down his manuscript before William Morrow & Co. paid $2,500 for it and ordered a 10,000-copy run of "The Peter Principle: Why Things Always Go Wrong." The book sold more than 200,000 copies in its first year and was translated into 38 languages.

Mr. Peter was born in Vancouver, British Columbia, on Sept. 16, 1919. He had a career as a teacher in British Columbia and Southern California. He retired in 1970 to live off the earnings from "The Peter Principle."

Gordon Jackson, 66, Scottish Actor

LONDON (AP) — Gordon Jackson, 66, the Scottish actor best-known for his portrayal of Hudson, the butler in the British television series "Upstairs, Downstairs," died Sunday after a brief illness, his agent said Monday.

He acted for nearly 50 years, in theater and in more than 60 films. He won a British Actor of the Year award in 1974 for his role as Hudson in the series, which ran from 1970 to 1975, and which is still running in syndication in the United States.

His film credits included "Whisky Galore" (1948), "Tunes of Glory" (1960), "Mutiny on the Bounty" (1961), "The Great Escape" (1963), "The Prime of Miss Jean Brodie" (1969) and "The Whistle Blower" (1986).

David W. MacEachron, 66, Headed Japan Society

NEW YORK (NYT) — David W. MacEachron, 66, who retired last year as president of the Japan Society after heading the nonprofit group 15 years, died of colon cancer Saturday at his home in Hastings-on-Hudson, New York.

Mr. MacEachron staunchly advocated liberalized trade, close American-Japanese economic cooperation and the countries' repudiation of any joint effort to dominate other economies.

Joseph S. Clark, 88, Ex-U.S. Senator

PHILADELPHIA (AP) — Former Senator Joseph S. Clark, 88, who swept the old guard out of Philadelphia City Hall and tried to do the same in the halls of Congress, has died. No cause of death was given.

Mr. Clark is remembered for civil-service liberalization during the 1950s, as the first Democratic mayor of Philadelphia in 67 years. He was also a strong advocate of civil-rights and congressional liberalization in Washington. A series of speeches he gave in 1963, published as "The Senate Establishment," attacked the upper chamber of Congress as "a self-perpetuating oligarchy."

■ *Other Deaths:*

Joseph John Copeland, 82, a biologist who became acting president of City College in New York at the height of racial turbulence there in May 1969, of pneumonia Thursday in Lakewood, New Jersey.

Northern J. Calloway, 41, who played David, the proprietor of Mr. Hooper's store, on the children's television program "Sesame Street," of an undetermined illness Tuesday in North Tarrytown, New York.

Dato Mos Jamaluddin, 55, the Malaysian high commissioner to Britain, of a heart attack Sunday in London.

Thai Details Theft Of Saudi Jewelry

Reuter

BANGKOK — A Thai man has confessed to stealing about $20 million worth of jewelry while working for a Saudi prince in Riyadh, the police have reported.

They said Kriangkrai Techamong, 32, said he had stolen watches, necklaces, brooches and bracelets while working as a cleaner for a prince he identified as Faisal bin Abdullahi. Mr. Kriangkrai told the police he had worked for about six years in Saudi Arabia. He said he had stolen jewelry from an open safe in a bedroom on seven occasions and had shipped it back to Thailand.

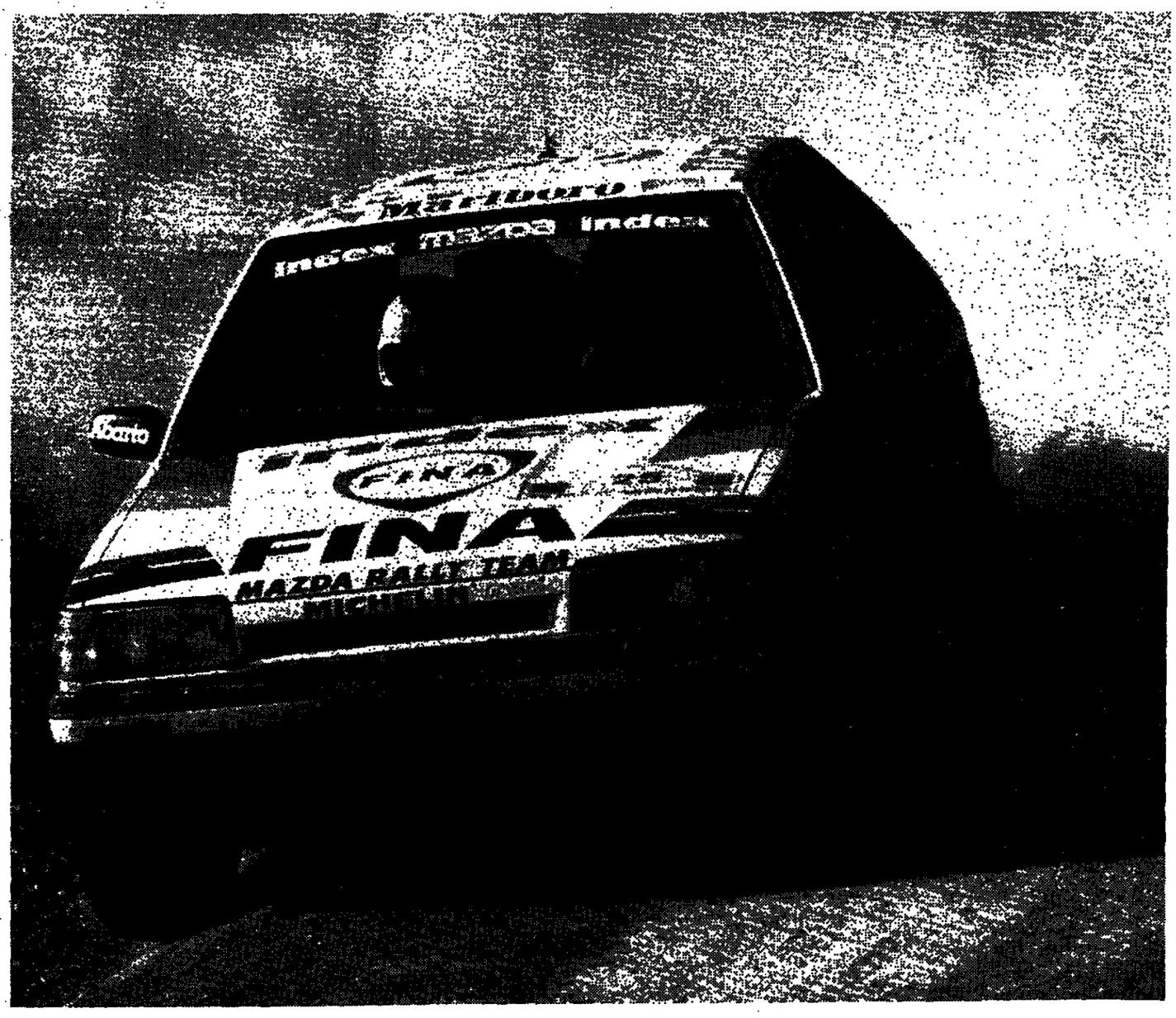
The police said that about 80 percent of the loot had been recovered after Mr. Kriangkrai's arrest at a northern Thailand hotel last week. Most of it was buried at his home, but he said he had sold about $200,000 worth. Thailand has no extradition treaty with Saudi Arabia. Mr. Kriangkrai is to stand trial locally. He faces a maximum of 10 years in prison.

A small hotel on a little street called Rodeo Drive.

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Every time we run, we learn a little something that helps us make our automobiles just a little better. The more we run, the more we learn.

The winning driver, is you.

Mazda 323 4WD

1989 World Rally Championship Results	
Swedish Rally	Overall Winner (Group A)
Monte Carlo Rally	2nd (Group N), 4th (Group A)
Rally of Portugal	1st (Group N)
Acropolis Rally	4th (Group N)
Rally of New Zealand	Overall Winner (Group A)
1000 Lakes Rally (Finland)	2nd (Group A), 3rd (Group N)
Rally Australia	4th (Group N), 5th (Group A)
Rally of Italy	2nd (Group N)
Lombard RAC Rally (UK)	1st (Group N)

1989 World Championship for Manufacturers (Group N)	
1. Mazda	(46 points)
2. Lancia	(41 points)
3. Renault	(31 points)

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Herald INTERNATIONAL Tribune
Published With The New York Times and The Washington Post

A Specter in Cambodia

It is the fighting season in Cambodia, and the Khmer Rouge Communists are making hay. They are attacking in the area of Battambang, a key provincial capital, and starting to bring the war to Phnom Penh. But who can be surprised? The notorious mass murderers of the 1970s are well trained, well armed and tough fighters. With Vietnam having withdrawn its forces, they are now relatively unimpeded as they pursue their avowed intent to take over Cambodia again. They have powerful allies: directly China and indirectly the United States.

Yes, the United States. It's dumbfounding. The U.S. government utters all the right curses against the Khmer Rouge yet refuses to recognize the regime of Hun Sen, which in the past 10 years has not become anyone's model government but has in important and relevant ways distingnished itself from its Khmer Rouge origins. And it is also the only conceivable barrier, short of a second Vietnamese invasion, to a Khmer Rouge comeback. This American policy flows from the decision to make common strategic cause with China, whose interest in Cambodia is simply to wield the Khmer Rouge as a counterweight to Vietnam. Unless, of course, George Bush's emissaries to Beijing have artfully contrived a Chinese turn to a new course. We await the revelation of it.

The last international attempt to crack the Cambodia case foundered on Chinese and American insistence on putting the Khmer Rouge into the tent of a transition coalition government. Now China, the United States, the Soviet Union, Britain and France, the permanent members of the United Nations Security Council, are opening new talks to explore suggestions to fudge the Khmer Rouge role by handing the transition over to the United Nations. The new spur to diplomacy lies in the fact that Khmer Rouge killers are back on the march. Surely the American government is not going to stay on a course that could lead to a second Khmer Rouge victory and genocide. As between the people of Cambodia and those who menace them, we cannot believe that the Bush administration is going to leave any doubt about whose side it is on.

— THE WASHINGTON POST.

Moscow on the Gulf

The other day, Washington received with a yawn news that would once have convulsed the capital. Moscow announced that it has got Iraq and Iran to agree to resume long-stalled negotiations on a peace settlement under Soviet sponsorship. From the 1940s into the 1980s, the prospect of a Soviet move, political or military, into the Gulf was one of the driving nightmares of American foreign policy. Even after the European allies and the United States in turn had lost their own positions as patrons there, it was an article of alliance faith (and, in America, of bipartisan consensus) that the Soviets had to be kept out. But the other day the Soviet government launched its major diplomatic initiative, and the United States wished it well.

Two years ago, United Nations diplomats arranged a cease-fire in the world's most grisly and costly war of the decade, but they have been unable since to bring the parties into a peace. There is one basic issue, disposition of the Shatt-al-Arab waterway between the two countries. Iraq, whose troops are at the river and whose leader needs full possession to justify his starting of the war, wants its whole width. Iran asks to restore the prewar line down the middle. The settlement that eluded the United Nations remains sensible: Set aside the sovereignty issue. Let an international authority clear the waterway and arrange for its use both by Iraq (to serve now-rebuilt Basra) and by Iran (to open up Abadan and Khorramshahr). Exchange the 100,000 prisoners of war. Move on.

The Soviet Union has a full diplomatic agenda and scarcely needs another hot item added to it. But it has a usable record of South Asian negotiation in its role as an India-Pakistan mediator at Tashkent in the 1960s, and it may see an opening. Mikhail Gorbachev has in the Gulf, in addition to his international standing, a relationship and leverage with each Gulf party. Iran's new leadership is dropping designation of Moscow as the other "Great Satan" and is widening cooperation on the sensitive Azeri border issue and in the economic realm — the big gas pipeline to the Soviet Union is about to reopen. Iraq still leans on Moscow, its chief wartime arms supplier, for advanced military hardware and stretched-out loans.

Some Arabs and Westerners quietly wonder if it would not be better to let progress come slowly, if at all. It relieves them to see Iran and Iraq at loggerheads; they fear the boost that a settlement might bring either to revolutionary fundamentalism in Iran or to dictator Saddam Hussein's evident desire for Iraq to become the Arab and Gulf superpower. But even a step forward on Shatt-al-Arab or prisoners of war — and progress is a long shot — would leave Iran and Iraq eyeing each other warily. And it is cynical to favor doing less than might be done to reduce a source of such destructive animosity.

If the Soviet Union were, by its diplomatic enterprise, threatening to gain an expanded strategic lodgment that would damage Western interests, that would be one thing. But it seems evident that the stability Mr. Gorbachev is pursuing in the Gulf for his own reasons could be of great use to the West.

— THE WASHINGTON POST.

The Pool Didn't Work

The invasion of Panama offered the first true test of the Pentagon's system for giving journalists access to live combat. The system failed. More precisely, the Pentagon failed the system. It is the president's job to make it work.

The system was devised after the Reagan administration excluded reporters from the Grenada invasion in 1983, temporarily blinding press and public to one of the more debatable expeditions in American military history. A commission headed by Winant Sidle, a retired general, then recommended that a select pool of reporters be allowed to cover the early stages of any surprise operation and share its information with other news organizations. That seemed a fair compromise between the military's need for surprise and the public's need for information.

In Panama, the arrangement swiftly became a joke. The Pentagon did not get the 16-person pool to Panama City until four hours after the fighting began, and reporters were unable to file dispatches until six hours after that. Overall coverage improved as hordes of other reporters arrived, but the original pool remained under tight military control and contributed little. "We started behind the eight ball," one photographer said, "and it just got worse from there."

Part of the problem may have been an absence of institutional memory: George Bush's Pentagon seemed to feel no urgent need to abide by an accommodation struck by Ronald Reagan's Pentagon. No civilian official accompanied the press pool to Panama City. The Pentagon simply handed the reporters over to the officers of the Southern Command, who treated the journalists as an unwelcome nuisance. In a rare burst of bureaucratic candor, Pete Williams, the Pentagon spokesman, summed up the military's entire press performance in one word: "incompetence."

The larger problem, as it always has been, is one of mutual comprehension and trust. Since the goals of defending the nation and informing the nation often conflict, forbearance is required on both sides. For its part, the press is obliged to accept limitations, including rules on what may be published before an operation begins. In World War II and Korea, the press agreed, if not always cheerfully, to rigorous censorship. In exchange, the military is obliged to allow reporters to do their job, which means getting them to the scene of the action and providing means of communication. As General Sidle noted the day after the Panama invasion began, "If you're going to let the media in, you've got to let them do something."

But ensuring adequate coverage is a civilian responsibility. It belongs to President George Bush, Defense Secretary Dick Cheney and the appointed officials who carry out their orders — not the military. As a post-Grenada report by the Twentieth Century Fund noted in 1985, the two cultures, military and media, have been divided since Vietnam. Commanders charged with leading troops into battle are likely to give the press low priority — unless told otherwise by their civilian chiefs.

— THE NEW YORK TIMES.

Other Comment

The Failure of an Empire

It has been obvious for some time that the regimes imposed on the peoples of the East by Stalin some 40 years ago have failed utterly as engines of economic production and as systems of equitable distribution. What is perhaps more surprising is their total failure as vehicles of social transformation.

The clearest proof of this is the fact that in the immediate aftermath of communism's collapse, the popular impulses that have come most quickly to the front are the old forces of nationalism and religious sectarianism, with all their irredentist passions and communal antagonisms.

Of all the Communist world's failures, perhaps the most abject is the failure of the Soviet Union as an imperial power. As columnist William Pfaff presciently pointed out in "Barbarian Sentiments," his recently published book, "it was otherwise in successful empires. Those conquered by Rome wanted to be Roman citizens. Elites in colonial India and Africa in the 19th and early 20th centuries wanted to study at Oxford or in Paris. The notion that a young Pole or Hungarian of the last 40 years would have longed to go to Moscow to study and make a career, to find a place among its painters and poets, to bring its civilization back to his own country, is ludicrous."

In Europe, the 20th century is ending, at least in part, as it began: with a disintegrating Russian empire, resurgent Central European, Balkan and Baltic nationalisms and an unresolved German question.

— Los Angeles Times.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Richard D. Simmons

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel.472-7768. Tlx RS56938 Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 5-8610616. Telex: 61170 Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009 Gen. Mgr. W. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (089) 726755. Tlx 416721 Pres. U.S.: Michael Connor, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175 S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

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OPINION

Russia: The Gloomy Eye of Communism's Storm

By Dominique Moïsi

PARIS — The "man of the decade" was speaking. The year of East European revolution had just come to an end and we were sitting in a restaurant 200 kilometers east of Moscow, in Suzdal, listening to the New Year's message of the man who had made it all possible. It was a moving occasion and I looked around — to discover that we were the only people in the restaurant who were paying any attention to Mikhail Gorbachev's words. His firm, theatrical voice seemed to be reserved for the sole benefit of us Western visitors.

For someone who had celebrated in Berlin the crumbling of the wall and witnessed via television the joy of Prague and bloodsheed in Bucharest, the contrast with the Soviet Union could hardly be greater. Moscow resembled the eerily quiet eye of a storm.

Arriving there with images of the Autumn of the Peoples still fresh in memory, you get the impression of leaving a rapidly changing scene for a frozen one dominated by sadness, fatigue, corruption and fear. In Moscow even the snow looked tired. In the famous Moscow subway, celebrated as one of the jewels of Communist achievement but made possible by Stalin's tyranny, faces exuded a fatigue that seemed not only physical but also metaphysical — generations of failures, decades of mostly self-inflicted tragedies reflected in expressionless faces. As always, no one smiled.

In one of the main Moscow hotels, close to Red Square, we watched blatant black-market scenes which fascinated our children and deeply saddened us. Waiters managed to serve us lunch while devoting most of their energy to proposing goods ranging from wooden spoons to cameras and fine caviar. In a carefully organized routine, staff of various ranks openly offered these things in exchange for foreign currency. The humiliating ritual involved wrapping the precious dollars in issues of Pravda. So truth (*pravda*) has finally come down to that: petty, open black-marketeering.

Fear of the authorities has disappeared, replaced by worries about the future. In the past, fear had often seemed balanced with pride, even hope. The hope is gone with the fear.

Some of the people we met argued that Mr. Gorbachev was moving too slowly, others that he had gone too fast. They had one certainty in common: Today was worse than yesterday and tomorrow would be worse yet.

Revolutionary events in Eastern Europe were seen in a gloomy light; comment was somber. The democratic changes that had taken place in most of Eastern Europe in a peaceful manner were not pointers; only the bloodshed in Romania was relevant. "We are not civilized like the Czechs or the Hungarians," someone said. "If there is change in our country, it is bound to be violent. A regime born of violence can only go down in violence."

Doomsday scenarios abound. Would the Gorbachev regime survive the winter? In Moscow, anarchy and violence would spread with rumors of heating cuts and food shortages.

Despair at the inability to change a frozen, doomed political system is laced with fear of being victimized, as Russians, in an exploding empire. At dinner in a Moscow home, a young man — Russian, educated, from Moscow — told of spending part of his military service in the hospital recovering from an assault by non-Russian conscripts.

The only smiling people we met were religious persons. Bell-ringers in Suzdal expressed with their bodies and chimes the happiness that comes with a restored possibility to vent religious convictions. Marxism-Leninism is dead. Will God be the ultimate haven for a society desperately in search of itself?

□

Who can predict what will prevail — reform, apathy, violence? Soviet problems are immense and uniquely diverse. The Soviet Union confronts simultaneously a political identity crisis and colonial explosions. Ideally, the one-party system and the multinational empire should give way to a multiparty, essentially Russian nation. But is it possible? For as long as statues of Lenin remain at the center of every Russian city and village, the system will not be transformed.

Contrary to what many Westerners believe, the key to the salvation of Russia is not economic reforms. The problem is essentially political. What model of political organization should the Soviet Union be looking for? Unlike Czechoslovakia, Russia has never experienced democracy in the Western sense.

Democracy would lead to the destruction of the empire. The empire is both the Achilles' heel of the Soviet Union and the chief source of pride for Russians. Can Mr. Gorbachev get rid of Peter the Great's legacy for the sake of an uncertain future political reform?

The society seems torn between apathy and violence. Elites have been decimated by decades of tragedies — World War I, the civil war, Stalin, World War II ...

In less than a decade — I first visited the Soviet Union in the summer of 1981 — my vision has been transformed. I no longer fear the Soviet Union. Should one fear a superpower whose citizens hunt desperately for toilet paper? But I fear what will happen in the Soviet Union.

No one wants the collapse of Mikhail Gorbachev, but at this point, returning from Moscow, I see very little we can do to help him. Perhaps the system's very rigidity and the apathy in the country will protect him.

The writer is associate director of the Institut Français des Relations Internationales and editor of its journal, Politique Etrangère. He contributed this comment to the Herald Tribune.



By TOM in Trouw (Amsterdam). C&W Syndicate.

To Start Afresh, Europe's Nations Need to Confess Old Crimes

By Fritz Stern

NEW YORK — A controversy has broken out in Prague over Vaclav Havel's statement, made before his election to the presidency: "We have a duty to apologize to the Germans who were expelled after the Second World War." The discredited Czech Communists, playing the nationalist card, have jubilantly attacked Mr. Havel — a possibly symptomatic but certainly ugly response to an uncommonly courageous act.

Mr. Havel's summons needs to be celebrated for what it is: a magnanimous gesture at a time when East Europeans, having freed themselves from Soviet-imposed communism, must also free themselves from Communist orthodoxy about the past.

Acknowledgment of guilt and implicit or explicit apologies are necessary conditions for a new Europe.

As they seek to build a future, they must strive for a new understanding of the past. The task is immense; the temptation is to fall back on ancient hatreds to explain past horrors. Mr. Havel offered compassion in order to transcend those hatreds. His was an act of appealing decency that deserves reciprocity.

After their liberation in 1945, the Czechs decided to rid themselves of 3.25 million Sudeten Germans, the vast majority of whom had facilitated Hitler's use of them to weaken and eventually destroy Czech democracy.

Among those expelled were also Germans who had opposed Hitler and who before 1938 had belonged to a German-speaking Social Democratic Party. I knew a young woman, a German-speaking democrat, who died in the process of detention and expulsion. The extrusion was retaliation, executed under often brutal conditions. Other millions of Germans, expelled from other parts of Eastern Europe, also suffered terrible hardships in their westward flight.

The expulsion of these millions was a link in a long chain of horrors. That chain began with World War I, the Great War, the beginning of the second 30 years' war — an almost continuous struggle, with brief armistices and escalating violence. The war legitimated mass murder, brutalized Europe and justified Einstein's remark in a letter in 1917, "Our much vaunted progress in technology, generally of civilization, is like the axe in the hand of a pathological criminal." Without the slaughter in Flanders and at the Somme, without the invention of gas warfare, without the millions of dead and crippled, there would have been no Bolshevism, no Nazism.

The Germans had a special responsibility in this second 30 years' war. Their country, with its unmatched power in Europe and its inept leadership, had a determinant role in causing World War I. The Germans suffered defeat, retaliation and humiliation.

A resurgent Germany, criminally led, became responsible for heinous horrors. The National Socialists began by torturing and killing domestic opponents, as did the Soviets. Hitler's Germany then unleashed World War II, organized the extermination of the Jews and imposed a rule of terror in occupied Europe, most cruelly in Poland and the Soviet Union.

The German defeat in 1945 brought renewed retaliation such as the extrusion of Germans from Czechoslovakia and from territories that Poland was assigned in compensation for its eastern lands that the Soviets annexed.

In the late 1940s, some Germans fastened only on their own losses — saw only the mote in the eye of the other and not the beam in their own. However, German leaders with courage and moral authority, from Konrad Adenauer to Richard von Weizsäcker, have acknowledged German responsibility and guilt. Mr. Adenauer sought some measure of moral rehabilitation by restitution payments to Israel and by initiating reconciliation with France.

But the Germans have remained divided about the past: How to live with the knowledge of such criminality in a country so proud of its civilization? Even today, historians find new evidence of complicity with National Socialism inside Germany — in the army, clergy, professions — and outside, in the International Red Cross, for example.

While West Germans have tried to come to terms with the past, the East Germans have for some 40 years lived under party-imposed mendacity. The legitimation of the German Democratic Republic was anti-fascism. Fascism was defined, absurdly, as the final stage of monopoly capitalism. Hence, all responsibility for the past rested on capitalistic West Germany.

How many of the millions of East Germans who recently have taken to the streets in heroic outrage at the wretchedness of their lives would now be willing to accept the verdict that they, too, had to carry the burden of the Nazi past? I heard an East German audience boo a West German politician who reminded them that the division of Germany was Hitler's fault, as was the division of Europe.

East Germany's peaceful revolution has done more for the German nation's morale than anything that has happened in the last 45 years. It may tempt some Germans in East and West to become even more sullenly resentful of reminders of past criminality. The great majority of Germans now living were born during or after the last war; hence they are innocent of all firsthand knowledge of what happened in earlier generations.

But Germans will come to realize that while they are thinking of a better, greater future, their neighbors will recall the past. Helmut Schmidt and others have warned Germans that they must heed such feelings from outside. Will they? Present-day right-wing Germans who want to put an end to all self-recrimination may turn to a revisionist nationalism — to a wish to see old German lands returned.

This is the context of Mr. Havel's magnanimous remark. Acknowledgment of guilt and implicit or explicit apologies are necessary conditions for a new Europe. In November, the so-called People's Chamber in East Germany formally apologized to the people of Czechoslovakia for German participation in the invasion of 1968; the rest of the Warsaw Pact followed suit. The Soviet Union has acknowledged illegality in Afghanistan and declared the consequences of the 1939 German-Soviet pact illegitimate. But these are command performances — traditional forms of party self-criticism.

Mr. Havel's message was different, and deserves a German response. It should bear on the internal German debate over Helmut Kohl's failure to include a guarantee of Poland's western frontier in his 10 points for German unity. Given the rise of anti-Polish feelings in both Germanys, such a guarantee of Europe's most precarious frontier, precisely because it would offend the right wing in West Germany, is necessary.

It is an inescapable truth that crimes have been committed, that they have bred retaliation and that, in the second 30 years' war, no nation has been entirely innocent. But the present should try to minimize the past's power to poison the future.

Vaclav Havel was right. And Willy Brandt was right when, overcome by grief, he knelt at the gate to the Warsaw Ghetto. It will be a measure of political rationality whether their examples and others will be spontaneously, not ritualistically, emulated.

How each country, including America, how each national group deals with the past — neither succumbing to exaggerated guilt nor angrily indulging in amnesia — will bear upon the psychological strength of the world now being built. The moral sphere needs a reciprocal recognition of crimes committed, and apologies offered and accepted. Only then will the chain be broken.

The writer, a specialist on Europe, is a professor of history at Columbia University. He contributed this comment to The New York Times.

Why Can't Kohl Speak the Language of Adenauer?

By William Pfaff

PARIS — A dramatic and disquieting contrast exists today between the moral awareness and political responsibility demonstrated by new leaders in the liberated nations of Eastern Europe and the irresponsible conduct of Chancellor Helmut Kohl of West Germany on the German border issue.

President Vaclav Havel of Czechoslovakia made his first official visit abroad to Germany, a nation which did much to harm Czechoslovakia in the past. He spoke only of reconciliation. He has asked his countrymen to apologize to the Sudeten Germans (3.2 million of them) expelled from Czechoslovakia after World War II.

This was scarcely popular in Czechoslovakia, which was dismembered in 1938 by way of those same Sudeten Germans' appeals to Hitler to destroy Czechoslovakia and take them into the Third Reich. Hitler, with the accord of the Munich agreement, did so in 1938, annexing all of the country in 1939.

Mr. Havel has told his fellow countrymen that Czechoslovaks must take responsibility for the moral depredations committed in their country during the last 40 years. He urged "forgiving enemies and expiating sins."

In Bulgaria the reform Communist authorities have restored to a popularly hated Turkish minority their right to speak their own language and practice their religion. That was on Dec. 29. Since then there have been mass protests by Bulgarian nationalists. But the new Bulgarian leader, Petar Mladenov, sustained by newly legalized opposition parties, has insisted on a course of national reconciliation.

In Bucharest, the new provisional government has ended Romania's persecution and forced assimilation of its ethnic Hungarian minority. A leader of the Hungarian community, a member of the new government, speaks of a solution "where no one is frustrated or threatened" and existing frontiers are respected.

The response from Hungary has been an outpouring of sympathy for the Romanian revolution, with assurances that after all the two countries have suffered since 1945, their future must be one of solidarity and mutual support. One official of the new Hungarian opposition says the border between the countries must become nothing but a trace on the map — "as in Western Europe." The Hungarian government has asked the acting president of revolutionary Romania, Ion Iliescu, to make Hungary his first official visit abroad.

In the newly liberated East there is gravity, forgiveness, statesmanship — courage in addressing the ethnic tensions and hatreds that in the past produced so much grief for Europe, and in two great wars for much of the rest of the world as well.

In West Germany, Chancellor Kohl plays with exciting those same tensions. He connives at a German territorial revanchism which only a fraction of his countrymen support, because by doing so he may produce private and partisan advantage.

Mr. Kohl justifies himself by saying that he has not the legal authority to renounce German claims to territory now part of Poland and the Soviet Union. This is correct. The Third German Reich survives in law, with, in principle, the frontiers it had before the annexations of World War II. The wartime allies have reserved to themselves the right finally to decide "all-German" matters.

The issue, however, is not one of legalities but of political and moral realities, which Mr. Kohl resolutely evades. He will not say what history calls upon him to say, which is that he, his government and his party renounce Germany's claim to territories east of the Oder and Neisse rivers, and that they will oppose such a claim being made by any united German political entity in the future.

Were he to say that, Mr. Kohl might lose an election. Some 15 percent of the West German electorate is thought today to sympathize with the rightist Republican Party. National elections take place late this year and the size of the vote for the Republicans will undoubtedly make the difference between victory and defeat for Mr. Kohl's party.

Mr. Kohl places this consideration above the damage his present conduct does to West Germany's international reputation and to the climate of international relations in Europe. His conduct contradicts the high sense of responsibility demonstrated on this matter by his predecessors, Helmut Schmidt and Willy Brandt.

Above all it contrasts with the conduct of the father of democratic West Germany, another Christian Democrat, Konrad Adenauer. When the French statesman Jean Monnet went to Mr. Adenauer in 1950 to propose that German and French coal and steel production be put under a common authority so as to prevent future wars between the two countries, Mr. Monnet said: "We want to turn what divided France from Germany — that is, the industries of war — into a common asset, which will also be European ... The aim of the French proposal, therefore, is essentially political. It even has an aspect which might be called moral."

Mr. Adenauer replied: "It is a matter of morality. We have a moral and not just a technical responsibility to our people ... I have waited 25 years for a move like this. In accepting it, my government and my country have no secret hankerings after hegemony. History since 1933 has taught us the folly of such ideas. Germany knows that its fate is bound up with that of Western Europe as a whole."

The language Mr. Adenauer and Mr. Monnet spoke is the language Vaclav Havel and other new leaders in Eastern Europe now are speaking. It is not, sadly, a language that seems available to Helmut Kohl. Germany — the world — is the worse for that.

International Herald Tribune.
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Things Aren't Clear in Eastern Europe

COULD it be that we are seeing a replay of the Soviet strategy of Brest-Litovsk? That 1918 gambit, in which the Soviets temporarily gave up territory to Germany to gain time to consolidate power, has served ever since as a Leninist model for tactical retreat before a renewed offensive.

It is argued that even if Moscow instigated the revolution in Eastern Europe for whatever purposes, it has got out of control. It is said that even if the Kremlin wanted a gaggle of little Gorbachevs in the East, it could not have wanted the crowds, the jeers, the anti-Communist placards.

Can the crowds be harnessed? The conventional wisdom in the West is that they cannot. But how do we know this? What do we know about the leaders of the various opposition groups? In some countries, we know a lot; in others, very little. We must remember that for 70 years the Kremlin has been in the business of infiltrating opposition groups, even creating them, so as to control the people who would be attracted to them.

In 1984, the KKB defector Anatoli Golitsyn predicted a false liberalization in Eastern Europe and the Soviet Union whose reforms would be so dazzling that the West would be incapable of retaining a consensus in favor of a strong defense. A deception of such magnitude is well beyond the scope of the Western imagination. But so was Moscow's "trust" operation in the 1920s, which involved the creation of a false opposition and which succeeded in deceiving 11 Western intelligence agencies for several years.

We should wait and see how the chips fall. If all we are seeing is a temporary, limited or false liberalization, we may regret it if someday we awaken to an even greater threat, and with no credible deterrent.

— John Lenczowski, commenting in the Los Angeles Times.

100, 75 AND 50 YEARS AGO

1890: Lisbon and London

LISBON — The new Ministry presented itself to the Chamber of Deputies, and Senhor Serpa Pimentel, the Prime Minister, made a declaration of policy. He began saying: "Portugal has right on her side, but Great Britain has might. The Government will uphold the rights of the nation and its dignity absolutely. The Cabinet will maintain the best possible relation with foreign Powers, and will actively devote itself to effecting economies. The Government will give particular attention to the affairs of our colonies, to the army, navy, agriculture and public instruction."

1915: City of Light Dims

PARIS — The steps taken to reduce the intensity of the street lighting in Paris as a precaution against hostile aircraft which may escape the fire of French guns are to be rendered more effective by a corresponding reduction in the lighting of private houses, shops, factories and establishments open to the public. The Paris authorities will therefore issue regulations providing for a diminution in shop-front lighting and also for the closing of house window shutters or the drawing of curtains to dim interior lighting throughout the city and suburbs.

1940: Invader's Guide

LONDON — A handy book of phrases for German soldiers invading England is on sale in the Reich, the "Times" reported today [Jan. 15]. Some of the phrases are: "Tell me the truth, if you please, Mr. X., or you will be killed"; "Quick, vicar, write on this paper the number of the British Army Corps"; "I need 30 workmen"; "Any driver who leads us astray will be shot. Don't lie, the village seems rich, I can see it myself. Where is the money?" The "Times" recalls that before the invasions of Poland and Czecho-Slovakia similar books were issued to the German soldiers who occupied the countries.

OPINION

Stick With the Hard Line That Gets Soviet Results

By William Safire

WASHINGTON — To their credit, the unreconstructed roundheels of The New York Times editorial pages gave extended space recently to an anonymous hard-line analysis, signed "Z," that has caused a fearsome fluttering in the dovecotes.

Z argues that Mikhail Gorbachev's announced plan for reforming the Communist system while retaining central control is hopeless; consequently, whatever the West does to help him postpone the day of free markets and a multiparty system only prolongs the agony of the exit from communism.

Keep the pressure on, is Z's import; economic desperation causes political movement. I would add that the U.S. State Department mantra of "stability," its go-slow admonitions to radicals and President George Bush's unstinting offer of economic aid to Moscow — untied softs and hards: freedom for the Baltic peoples. I have a large Bernese mountain dog who bounds in out of the snow to lie on her back, paws splayed in every direction, in hopes of getting her belly scratched. This is the current State Department position on Baltic independence.

For 50 years, the United States has refused to acknowledge the Hitler-Stalin deal that forced Lithuania, Latvia and Estonia into becoming "Soviet Socialist Republics." Nine U.S. presidents have supported their independence-asserting legations in Washington. With freedom now imminent, the Balts hear the U.S. State Department spokesman say that their status is a Soviet "internal matter."

Why couldn't Washington cut the handwringing and say instead:

"The United States reasserts its long-standing recognition of Baltic independence. We applaud the peaceful but resolute way its peoples have recently demonstrated their desire for freedom.

"As these three countries gain their freedom in fact, we are prepared to join with the Soviet Union and European nations to create a Baltic convertible currency zone. We will encourage a private economy capable of replacing the command system, speeding the day of a convertible ruble and the opening of Soviet markets."

Such a targeted approach is a far cry from the tell-us-what-you-want, we-won't-rock-your-boat offer of trade by the eager Mr. Bush at Malta. One way requires genuine change; the other permits cosmetic change.

Here's the beauty part: Centrifugal agitation is now causing Mr. Gorbachev to rethink his insistence on one-party monopoly. He doesn't need tacit understanding from freedom-seekers; he needs a shove. Only then can he continue to play the man in the middle.

That is why some hard-liners here for the past year have been focusing on the Baltic states as the testing ground for real Soviet change. The freeing of six states of the empire has been breathtaking, but Baltic unrest reaches across what Moscow considers its border.

Mr. Gorbachev went to Lithuania to act against his words: In waggling a finger against inevitable separatism, he plunged ahead to "I see no tragedy in a multiparty system."

What brought about this high-wire flip-flop on the essence of one-party control — gentle accommodation by the Balts? Just the opposite.

Only unrelenting pressure from inside and out, accompanied by Red Army refusal to back political power with firepower, can change the Union of Soviet Socialist Republics into a less militarist FSR — a Federation of Soviet Republics.

While soft-liners are struck dumb with delight, hard-liners will keep pressing.

The New York Times.

Gorbachev needs a shove in order to continue to play the man in the middle.

to systemic change — help only those roll-with-the-punch totalitarians who will cling to as much power as they can.

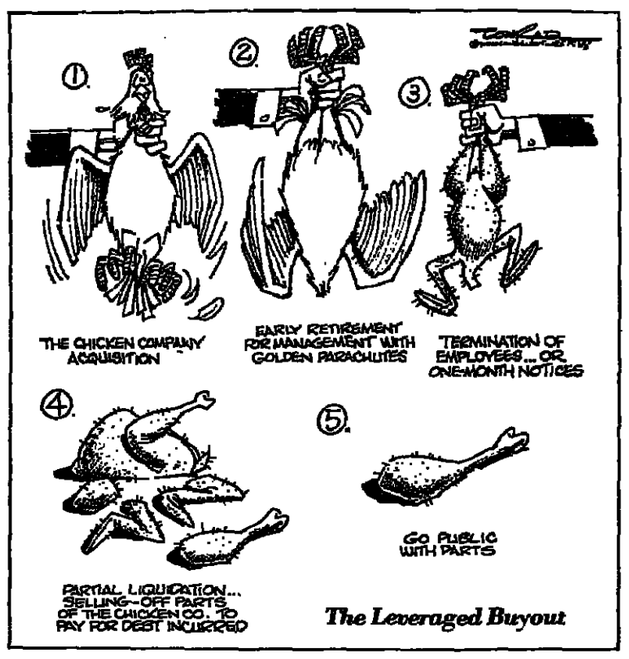
My Times colleagues' response: Since Mr. Gorbachev's rise, "hard-liners have strained to find new rationales for old Cold War animosities." Ad whominem? At me and him. Hang-ups aside, we hard-liners are said to "duck the critical fact that the likely alternatives to Mr. Gorbachev would be far worse for Western interests."

Revivified accommodationists, so wrong for so long about the U.S. policy of putting stress on the Soviet system, find what they consider a contradiction. They discover in Z's analysis "what Western liberals and moderates have been urging all along — arms control and cooperative arrangements to develop market structures and joint economic ventures . . ."

Wrong. To soft-liners, arms control means a hurry-up strategic missile treaty, which would save the Russians vast sums while retaining their superpower threat; to hard-liners, arms control means first getting Soviet troops and tanks out of Eastern Europe, so that an end to occupation is not linked to Mr. Gorbachev's shaky personal fortunes.

Here is another difference between

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



The Leveraged Buyout

More to It Than Kicking the Tires

By Dave Barry

MIAMI — THE FIRST RULE OF CAR-BUYING is one that I learned long ago from my father, namely: Never buy any car that my father would buy. He had an unerring instinct for picking out absurd cars, cars that were clearly intended as industrial pranks, cars built by workers who had to be blindfolded to prevent them from laughing so hard at the product that they accidentally shot rivets into each other.

For example, my father was one of the very few Americans who bought the Hillman Minx, a wart-shaped British car with the same rakish, sporty appeal as a municipal parking garage but not as much pickup. Our Minx also had a Surprise Option Feature whereby the steering mechanism would disconnect itself at random moments, so you'd suddenly discover that you could spin the wheel all the way around in a playful circle without having any effect whatsoever on the front wheels. Ha ha! You can imagine how I felt, as an insecure 16-year-old, arriving at the big high school pep rally dance, where all the cool guys had their Thunderbirds and their GTOs with their giant engines and 23 carburetors, and there I was, at the wheel of: the Hillman Minx. A car so technologically backward that the radio was still receiving Winston Churchill speeches.

You don't see many Minxes around anymore, probably because the factory was bombed by the Consumer Product Safety Commission. You also don't see many Nash Metropolitans, another car

MEANWHILE

my father bought. The Metropolitan was designed by professional cartoonists to look like the main character in a children's book with a name like "Buster the Car Goes to Town." It was so small that it was routinely stolen by squirrels.

It was not the ideal car for dating, because there was room for only one person, so the other one had to sprint along the side of the highway, trying to make casual conversation and sometimes dropping from exhaustion. Being a gentleman, I always made sure my dates carried flares so I could go back and locate them at night.

Of course the most important consideration in buying a new car is the rebate. This is one area of automotive technology where America still reigns supreme. A lot of Japanese cars don't even have rebates, whereas some American car dealerships have become so sophisticated that they no longer even sell cars. You just go in there and sign legal papers for a couple of hours and get your rebate and your zero-percent financing with no payments due until next Halloween, and you drive home in your same old car. Ask your automotive sales professional for details. He's clinging to your leg right now.

NO! JUST KIDDING! The last time I jokingly suggested that there was anything even slightly unpleasant about buying a car, several million automotive sales professionals wrote me letters threatening to take all their advertising out of the newspaper and jam it up my nasal passages. So let me state in all sincerity that, as far as I am concerned, these people are gods, and car-buying is the most legal fun that a person can have while still wearing underwear.

But it can also be confusing. There are so many brands of cars today, with new ones constantly being introduced, not only from domestic manufacturers but also from foreign countries such as Mars. I refer here to the Infiniti, a car that was introduced by a bizarre advertising campaign in which — perhaps you noticed this — you never actually saw the car. Really. All you saw in the magazine ads was ocean waves, leading you to wonder: Is this a submersible car? Or was there some kind of accident during the photo session? ("Dammit, Bruce, I TOLD you the tide was coming in!")

But, no, the Infiniti ads were done that way on purpose. They wanted you to spend $40,000 on this car, plus whatever it costs to get the barnacles off it, but they refused to show it to you. Why? Because the Infiniti is actually — the Hillman Minx.

No, just kidding again. The truth is that the Infiniti ads are part of an exciting new trend called "Advertising Whose Sole Purpose Is to Irritate You." The ultimate example of this is the magazine ads for Denaka vodka, where a haughtily beautiful woman is staring at you as though you're the world's largest ball of underarm hair, and she's saying, "When I said vodka, I meant Denaka." What a fun gal! I bet she's a big hit at parties.

My point is that there's more to buying a car than just kicking the tires. You have to really know what you're doing. which is why, all kidding aside, I recommend that you carefully analyze your automotive needs, study the market thoroughly, and then purchase the car that you truly feel, in all objectivity, has the most expensive advertisement in this newspaper. Don't thank me. I'm just keeping my job.

Knight-Ridder Newspapers.

LETTERS TO THE EDITOR

Israel and Western Defense

In response to the report "In Israel, Fear Grows That Old Friends Are Losing Interest" (Dec. 20):

Unlike some of those quoted, I find that Israel will continue to be important for the defense of the United States and Western Europe. No security situation is more hypothetical than that of glasnost and the Soviet Union's relative military capabilities. Clearly Bonapartism is one of those forces waiting in the Soviet wings while Mikhail Gorbachev struts center stage. Continued Western preparedness therefore is essential.

Any U.S. troop cuts in Europe will create an even greater need for quick, ready and secure access points for troop mobilization, resupply and above all air cover. The relative ability of the Soviet Union to place troops in a European or Middle Eastern theater will grow. Israel, however, will not demobilize, since instability is endemic in its backyard. And Israel clearly is closer than America to the Mediterranean and Eastern Europe.

As the United States draws back its military forces, it should hone its capability to respond quickly. The Israel Defense Forces provide a model for such capability, thus requiring greater U.S. military cooperation with Israel.

America retains substantial interests in the Middle East. The spread of the democratic ideal in the world could produce greater turmoil there. The Arab regimes will find it painfully difficult to digest democratic pluralism and representative government. In such a climate, a weakening of the U.S.-Israel security connection would provide fertile terrain for Soviet Bonapartism.

ART STONE.
Arlington, Virginia.

Withdrawal From Poland?

Regarding the report "Prague Tells Moscow to Withdraw All Troops Before End of This Year" (Jan. 10):

I fail to understand how, according to the writer of this article, Western officials expect "the Soviet Union to sacrifice its garrisons in Czechoslovakia, Hungary and Poland to preserve a strong Soviet presence in East Germany." It seems evident that the Soviet army cannot maintain a presence in the GDR without the vital lines of communication that pass through Poland.

WALTER SCHUTZE.
Paris.

Patience in Manila

Francisco S. Tatad *("Let's Have Other Leaders and a Different System," Opinion, Dec. 11)* was Ferdinand Marcos's minister of information. What did he do then other than repress the press and other voices of change? He may not like the changes being made now, but they are being made by a government voted into power by the people.

The question that should be put to Mr. Tatad is why he and others like him are so impatient with President Corazon Aquino after three years, when he was so patient with Mr. Marcos much longer.

ANTONIO C. MODENA.
Bonn.

Red Shorts, Red Faces

In response to "More About Noriega: He Wore Red Underwear" (Dec. 28):

Rather than questioning the morals of a man who wears red underwear, the U.S. military command in Panama should explain how 25,000 troops failed to notice the owner of the underwear flying a white helicopter over Panama City in the midst of the U.S. invasion.

Meanwhile, on my next trip to the United States I'll make sure to leave my Brooks Brothers shorts at home.

BENOIT LIGER.
Brussels.

Some Are Giving East Berliners a Bad Taste of the West

On Dec. 31, I traveled to East Berlin to visit my girlfriend's family and to take part in what I thought would be a celebration of the East Germans' hard-won freedom. She had not seen her cousins for 11 years, and the opportunity for me, an American, to visit these people was something I looked forward to.

I thought I would take part the triumph of freedom and justice over oppression. On New Year's Eve what I found was 500,000 people engaged in an orgy of drunkenness and rowdyism that would have impressed English soccer fans. Later I saw a form of legalized looting.

For years, the prices of food, clothing, household utensils, books and so forth have been kept artificially low in East Germany. A beer costs one and a half East German Marks. Books cost from 5 to 15 marks. Sweaters, pants, shoes and jackets cost between 40 and 100 marks. The official exchange rate in East Germany is three East marks for one Deutsche mark, but the usual rate in West Berlin is 12 to 1. So the shopping began. Stealing is a better term for it.

As the people in the East struggled to form opposition parties, Westerners were busy emptying their stores — even of essentials such as bread and milk. Within 30 minutes of entering a department store, my girlfriend and I concluded that to purchase any goods there was not right. Unfortunately, all too few people seemed to understand this. In a few weeks, I suspect, there will be little left to buy. Toward the end of my visit, I noticed the appearance of Western shoppers in the outer boroughs of East Berlin. As the pickings grow scarcer around Alexanderplatz, the locusts will undoubtedly move to greener pastures.

It would not surprise me if the East German government once again closed its borders to visitors from the West, or at least made it more expensive and more difficult to enter. That would be fully justified. The family I visited in East Berlin was alarmed by the drunken toughs who now walked freely in the streets of the city. The removal of clothing and food supplies only serves to exacerbate an already grim situation.

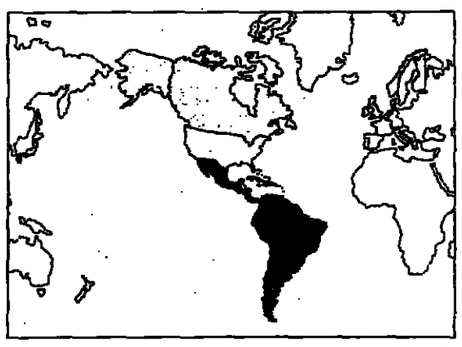
CHRISTOPHER M. VEITH.
Duisburg, West Germany.

LATIN AMERICA

HOW NEW ADMINISTRATIONS WILL MEET THE CHALLENGES

London, February 22 – 23, 1990

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FEBRUARY 22

LATIN AMERICA: NEW APPROACHES FOR THE 1990s
Enrique V. Iglesias, President, Inter-American Development Bank

NEW IDEAS FOR PROGRESS FROM DEBT TO RENEWED GROWTH
Pedro Aspe, Finance Minister, México
Miguel Rodriguez, Minister of State, Venezuela
Diego Cordovez, Foreign Minister, Ecuador

DEBT AND NEW MONEY: HAVE THE COMMERCIAL BANKS AN APPETITE FOR LOOKING BEYOND THEIR MENUS?
Anthony D. Loehnis, Vice Chairman, S.G. Warburg & Co. Ltd., London
William Rhodes, Group Executive and Chairman of the Restructuring Committee, Citibank N.A., New York

SUSTAINABLE DEVELOPMENT: PROMOTING INTERNATIONAL COOPERATION ON THE ENVIRONMENT
The Rt. Hon. Christopher Patten M.P., Secretary of State for the Environment, U.K.

THE URUGUAY ROUND: MAKING SURE THAT PROTECTIONISM DOES NOT EXCLUDE DEVELOPING COUNTRIES' PRODUCTS FROM WORLD MARKETS
Arthur Dunkel, Director General, General Agreement on Tariffs and Trade, Geneva

ADJUSTMENT MEASURES: ACHIEVING THE RIGHT BALANCE
Senior Argentinian Official

GIVING RENEWED DEVELOPMENT PRIORITY OVER DEBT
Prof. Richard Portes, Director, Centre for Economic Policy Research, London
Louis Emmerij, President, OECD Development Centre, Paris

FEBRUARY 23

RELATIONS WITH LATIN AMERICA: CHALLENGE AND CHANGE
The Rt. Hon. Tim Sainsbury M.P., Parliamentary Under Secretary of State for Foreign and Commonwealth Affairs, U.K.

WILL DONOR COUNTRIES BACK LATIN AMERICAN DEVELOPMENT IN THE 1990s?
Toyoo Gyohten, Special Advisor to the Minister of Finance, Japan
Jacques Attali, Special Counsellor to the President, France

REVIVING A MARKET OF GREAT POTENTIAL
***Gerrit Jeelof**, Vice Chairman, N.V. Philips Industries, The Netherlands

SMALL BUSINESSES IN LATIN AMERICA: BRINGING THE MARGINS INTO THE MAINSTREAM
Hernando de Soto, President, Institute for Liberty and Democracy, Peru

ADJUSTMENT MEASURES: TURNING ROUND A LATIN AMERICAN ECONOMY
Enrique Garcia Rodriguez, Minister of Planning, Bolivia
Ricardo Zerbino, Minister of Economy and Finance, Uruguay
***Alejandro Foxley**, Minister of Finance Designate, Chile

HOW GOOD ECOLOGY CAN BE GOOD BUSINESS
Alvaro Umana, Minister of Natural Resources, Energy and Mines, Costa Rica

SPECIAL ADDRESS
***Mario Vargas Llosa**

POINTERS FOR THE FUTURE: SUMMING UP OF CONFERENCE THEMES AND DISCUSSIONS
Enrique V. Iglesias, President, Inter-American Development Bank

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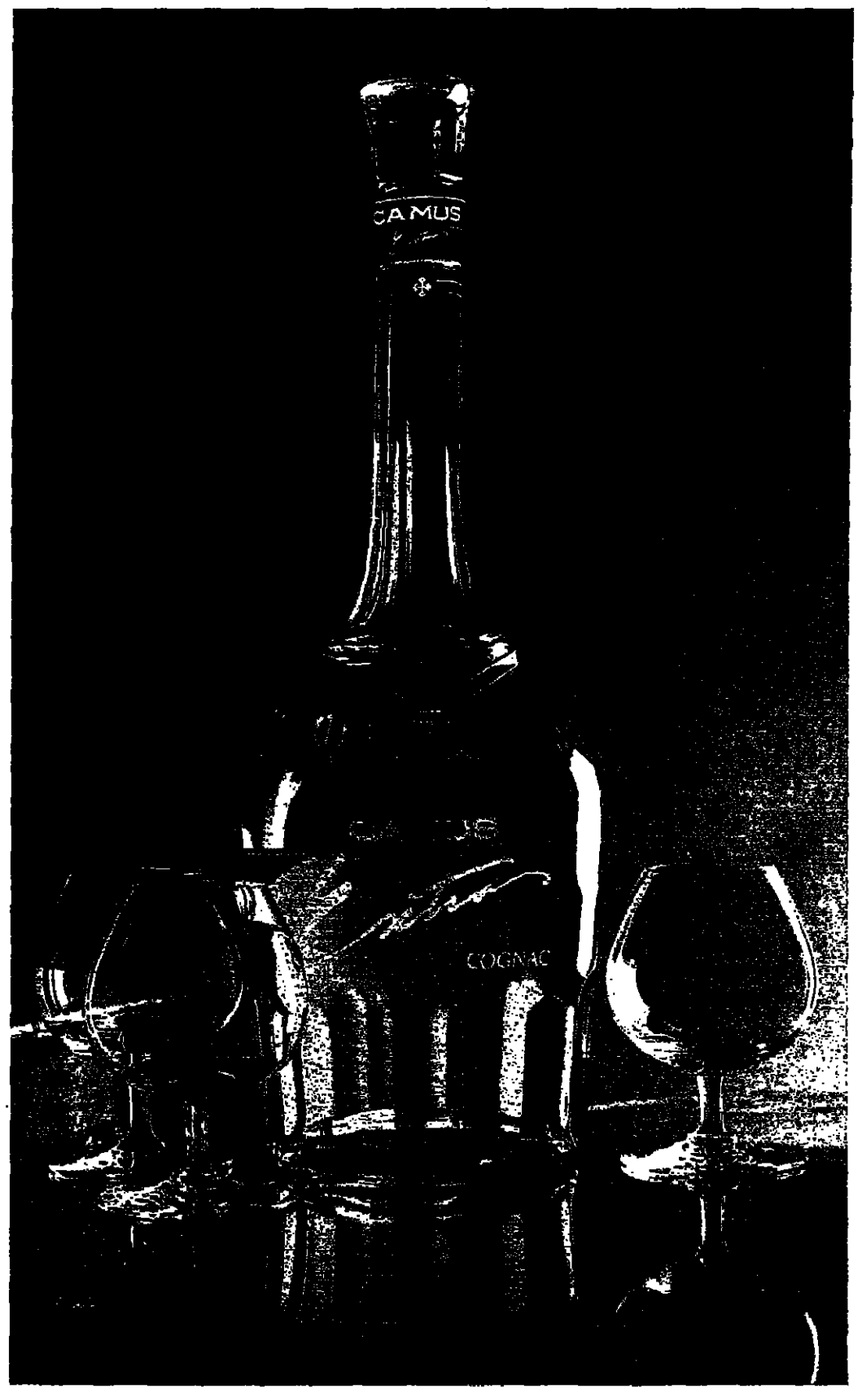
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Incidentally, no gold award was given in 1988. Coincidentally, Camus did not enter that year.

CAMUS
COGNAC, FRANCE

Prosecutor Says Honecker Faces Treason Indictment

Compiled by Our Staff From Dispatches

BERLIN — Prosecutors plan to indict Erich Honecker, the deposed East German leader, and one of his former aides for high treason, the country's top law enforcement official said Monday.

The charge carries a maximum penalty of death in "exceptionally grave cases" and a minimum of 10 years in prison.

The chief prosecutor, Hans-Jürgen Joseph, told government and opposition negotiators that he intended to indict Mr. Honecker and Erich Mielke for "anti-constitutional association," a phrase that takes in various conspiratorial crimes, and for treason.

Mr. Mielke, a former interior minister, headed the State Security Service, or Stasi, a major target of criticism during the wave of protests that led to Mr. Honecker's downfall.

Mr. Honecker, 77, and Mr. Mielke, 82, are among 30 former top officials targeted for indictment for corruption, abuse of office and other serious crimes.

"Effective Monday," Mr. Joseph said, "the criminal proceedings against Honecker and Mielke have been expanded. They now include paragraphs 96 and 107 of the criminal law."

The first paragraph covers high treason, while the second deals with anti-constitutional activities. Mr. Joseph did not specify.

Under East German law, the prosecutor decides whether to indict a criminal suspect.

The announcement that high treason and the other charge form part of the "criminal proceedings" means an indictment is planned.

Mr. Joseph did not say when a formal indictment was expected or when a trial might begin. Mr. Honecker is recovering from surgery for a malignant kidney tumor.

Mr. Honecker and Mr. Mielke were already being investigated for corruption and abuse of office.

Hans-Joachim Boehme, a former Communist chief in the southern city of Halle, is suspected of pocketing party funds and building a villa at public expense.

Among the dozen former top leaders in custody are the former prime minister Willi Stoph, the former trade union leader Harry Tisch and a long-time top economic official, Günter Mittag.

Mr. Mittag, who was considered one of the three most powerful men in the country, along with Mr. Honecker and Mr. Mielke, also faces possible treason charges.

In another development, the weekly newsmagazine Der Spiegel said that Interior Minister Wolfgang Schäuble would soon announce measures to stem the flow of East German immigrants, who have been arriving at a rate of up to 3,000 a day this year.

"The financial incentives for settlers will be drastically cut back this month," the Hamburg-based magazine said.

Mr. Schäuble, in a statement, rejected the magazine's assertion that he planned to "build a dam to halt the flood" of immigrants, but did not dispute the report's main thrust.

Last year a record 344,000 East Germans settled in the West, along with 377,000 ethnic Germans from other East European countries.

A senior member of Chancellor Helmut Kohl's Christian Democratic Union also said that cuts in welfare payments were likely.

West Germany stopped giving East German visitors "welcome money" on Jan. 1, but it still subsidizes their purchases of Western currency.

East German immigrants are given help in finding apartments and receive loans to buy furniture. They have the same pension, social security and health-care rights as West Germans. *(AP, Reuters)*



Reuters

Erich Honecker, who is recovering from kidney surgery, faces possible penalties ranging from 10 years in prison to death.

RIOT: *East German Protesters Storm Security Offices*

(Continued from page 1)

ing quickly escalated into a storming of the headquarters.

By 5 P.M., thousands of demonstrators were inside, East German television said. Chairs, desks and other furniture were hurled out windows, and protesters threatened Stasi employees, witnesses said.

Running through the halls, demonstrators shouted "Stasi Out!" spray-painted "Stasi = Gestapo" on the walls and taunted workers who cowered in their offices. People urinated on the walls and shouted, "Now it's the people's turn!"

Prime Minister Hans Modrow, who began the day by appealing to the opposition to help keep the peace and stem the exodus of East Germans to the West, arrived at the Stasi complex and, through a loudspeaker, urged calm.

Members of New Forum blocked the entrance and put up a large "No Violence" banner. In less than an hour, they had restored quiet, witnesses and wire reports said.

Earlier, Mr. Modrow made an unexpected appearance at the continuing talks with the opposition, saying that his presence was "a sign of my goodwill and above all of the great concern for the internal political situation."

A leading government official and adviser to Mr. Modrow, Manfred Sauer, delivered the report on Stasi. The opposition had threatened to quit the talks unless such a report was produced.

Mr. Sauer said Erich Honecker, the former East German leader who was driven from power in October, and Erich Mielke, the former chief of Stasi, had doubled the size of the security apparatus in recent years.

He said the secret police had 124,593 pistols, 76,000 automatic rifles, 36,113 other rifles, 3,537 grenade launchers and 449 light machine guns.

Most of Stasi's armories have been taken over by the government, and the remaining ones are to be closed by Jan. 25, Mr. Sauer said. More than half of the 2,000 Stasi buildings remain in the hands of the agency.

He said that among 25,000 Stasi agents, 1,052 were employed monitoring telephone conversations, 2,100 reading mail and 5,000 in other surveillance. The agency had 233 speed and pleasure boats at its disposal.

About 30,000 Stasi employees have been let go, Mr. Sauer said, and about 22,500 are being integrated into other government jobs, including the regular police.

Of the 32,500 employees still at Stasi, about 20,000 will be released soon, he said. He told the opposition that there is "no more conspiratorial work."

In its 1989 budget, the government set aside 3.6 billion East German marks (about $2.3 billion) for internal security, about 1.3 percent of national spending, Mr. Sauer said.

"The government decisively condemns all practices coming from a wrong security doctrine," he said.

He said that the Ministry of Justice was preparing a law to rehabilitate all citizens wrongly convicted of political crimes and that the government had revoked all judgments against political dissenters since 1985.

Mr. Modrow had planned to replace the secret police with a new force, but the opposition bitterly fought the plan and he abandoned it on Friday. He had said that a new security force was needed to counter the threat of growing fascist activity.

But the opposition said that the threat was greatly exaggerated and that a new agency should be created after the election by a democratically elected government.

SOVIETS: *Troops Are Sent*

(Continued from page 1)

Defense in Baku, deplored the attacks on Armenians and said front members had tried to halt them.

But a front declaration blamed the violence on earlier Armenian attacks against Azerbaijanis and attacked the central Soviet press for whipping up anti-Azerbaijani "hysteria" to justify the imposition of martial law.

The declaration Monday night of a state of emergency gave the authorities the right to ban public demonstrations such as the meeting in Baku over the weekend. According to the declaration, army, navy, and KGB units will help Interior Ministry troops to "defend civilians," guarantee communications and "protect installations vital to the life of the community."

State television reported that hundreds of Armenians fought pitched battles in the Shaumyan district after a group of Azerbaijanis tried to set fire to an Armenian farm. It quoted a soldier as saying that Armenians fought back with hunting rifles and Kalashnikov submachine guns.

Several hundred Armenian refugees arrived in Moscow from Baku describing atrocities committed by Azerbaijanis. They said Armenians had been burnt to death in their homes. A Russian who had left Baku said that she had seen the bodies of two women tossed from balconies and the shooting of an old woman by a mob.

Telephone communications with Baku were disrupted, and it was impossible to check the authenticity of the reports. Several refugees also said Azerbaijanis were holding members of their families hostage.



Reuters

Armed men guarding a bank in Lenkoran, Soviet Azerbaijan, after protesters seized public buildings.

In Hungary, Kaifu To Hold Talks on Credit Package

Reuters

BUDAPEST — Prime Minister Toshiki Kaifu of Japan arrived here Monday for an official visit, the last stop on a 10-day European tour.

The first Japanese prime minister to visit Hungary, Mr. Kaifu is to discuss Japan's offer of a $500 million credit package over three years for the country's non-Communist government.

He arrived from Warsaw, where he discussed a similar package with Poland's Solidarity-led government, which ended more than 40 years of Communist rule last September.

Mr. Kaifu's visit to Budapest was made two days after Suzuki Motor Co. of Japan signed a preliminary agreement to form a joint venture to make cars in Hungary. If completed, the Suzuki operation will be the sixth joint venture to be set up in Hungary.

Bilateral trade last year totaled $295 million, 57 percent of which represented Hungarian imports from Japan.

PULLOUT: *Most Soviet Forces Are Leaving Vietnam*

(Continued from page 1)

struction is still under way. But a Western official said Moscow was "taking away the offensive capability." The move, he said, was designed to save money and gain political benefits.

The Soviet official asserted that Moscow was "not using Cam Ranh Bay as a card to put pressure for removal of U.S. forces from the Philippines."

But, analysts said, they expected the Soviet Union to announce its unilateral withdrawal from Vietnam at a time chosen for maximum effect on the coming base negotiations between the United States and the Philippines.

A perceived reduction in the Soviet military threat "is going to cause a lot of Americans, as well as nationalists in the Philippines, to question whether U.S. bases are still needed," a Western diplomat said.

A Soviet withdrawal from Southeast Asia will enable Moscow to concentrate on improving relations with Japan and reducing tensions in Northeast Asia and the Northwest Pacific, said Jusuf Wanandi, chairman of the supervisory board of the Center for Strategic and International Studies in Jakarta.

Hanoi allowed Soviet forces to make use of the U.S.-built port and airfield at Cam Ranh Bay in 1979 in exchange for aid and political support in the Vietnamese invasion of Cambodia and the Chinese attack on northern Vietnam.

A Western official said reductions in Soviet military aid to Vietnam and Cambodia, as well as the Cam Ranh Bay pullout, "signal that there is less of a Soviet commitment" to Vietnam's security.

This is likely to increase Hanoi's interest in reducing reliance on Eastern Europe for trade and aid, he said. It will also encourage Vietnam to improve economic and political relations with countries in the West and elsewhere in Asia.

Tran Quang Co, a Vietnamese deputy foreign minister, said Vietnam would not be troubled by a Soviet departure from Cam Ranh Bay.

He could not give exact information about what was happening at Cam Ranh Bay. But he said: "It is a clear policy and strong necessity for the Soviet Union to restructure its military presence and also its economic assistance to all countries."

STRETCH: *Shrinking Market*

(Continued from page 1)

people, said Elliot Wineburg, an assistant professor of psychiatry at the Mount Sinai School of Medicine in New York, the stretch limousine "is almost as important to them as wearing a necktie is to other people." He recalled that one of his patients was as attached to his limousine as he was to his gold pinkie ring.

Now, as sales and rentals plummet, there is nothing but concern in the stretch limousine industry. Reliable statistics are scarce, but available figures portray a sharp contraction.

There are 57 companies making 5,800 stretch limos annually, down from an output of 7,000 in the peak year of 1987, according to Limousine & Chauffeur magazine, a California-based publication.

Even conversion companies that say their business is thriving have become more conservative (converters turn top-of-the-line Cadillacs and Lincolns into stretch versions).

Mr. Schwartz, for example, said that Dillinger-Gaines recently closed a plant in Florida that had supplemented output from the main factory in New Jersey.

Ford Motor Co. said that sales of its Lincoln Town Car line have declined 60 percent in the current model year, compared with the period a year earlier.

General Motors said it sent 1,069 of its special "coach builders" Cadillac Broughams to converters during the 1989 model year, down from 2,070 the previous year.

Converters pay about $27,400 for Cadillac Broughams and $29,000 to $30,000 for Lincoln Town Cars.

Cars sold to converters contain special features — bigger engines, larger transmissions, reinforced shock absorbers and either more powerful or more efficient alternators to run the gadgets.

Prices for rebuilt stretch limousines, the bulk of which are sold to livery companies, range from $40,000 for the basic model to more than $80,000.

Mr. Schwartz, for example, speaks with pride of his "Trump Line" model, whose standard features are inlaid wood paneling, a television set, a videocassette recorder, "a liquid refreshment center" (thermo-cooled wine rack included), two electrical sockets, two telephones, a safe, a vanity mirror and a paper shredder.

"The only option is a fax machine," Mr. Schwartz said. The price tag: $85,000.

In addition to falling demand, producers are coming under increasing pressure to comply with safety requirements.

The safety shortcomings reported to government officials stem from the considerable weight of stretch limousines and insufficient adjustments made by some converters to compensate for additional stress.

The reported problems include fires caused by overloaded bearings and difficulty in braking.

5,000 Protest For Change In Mongolia

Reuters

BEIJING — As many as 5,000 people have demonstrated for change in the Mongolian capital of Ulan Bator, residents said.

The peaceful protest on Sunday was the remote Communist country's biggest in recent history, and perhaps the world's coldest, held in temperatures of minus 30 degrees centigrade (minus 86 Fahrenheit) for more than an hour.

Residents contacted on Monday by telephone from China said that the city, a jumble of tents and conventional concrete blocks, was calm but that another protest was expected Sunday. The rally was organized by the Mongolian Democratic Union, which students and intellectuals founded last month. The group claims 60,000 members.

The Soviet press agency Tass, which has staff in Ulan Bator, said official approval had been given for the rally.

Residents said that the authorities forbade the organizers to use Ulan Bator's main square and that protesters took their banners to Lenin Square, where speakers addressed the crowd from the steps of a cinema.

BULGARIA: *Party Role Is Cut*

(Continued from page 1)

those crimes on the government of Todor Zhivkov, who was deposed two months ago. But some in the gallery noted that Mr. Zhivkov only took power in 1954, and said the real architect of the abuses was Georgi Dimitrov, who led the Communists to power after World War II and whose body is preserved in a state mausoleum.

"They are still rewriting history," said Rsen Krumov, who was imprisoned for five years for editing an opposition newspaper. "Dimitrov was the main killer. But they want now to say all this is Todor Zhivkov."

Monday's all-day session began smoothly enough with Mr. Lukanov's motion that the assembly repeal the second and third paragraphs of Article 1 of the constitution enshrining the party as Bulgaria's "guiding force." That passed the 400-member body with no negative votes and only five abstentions.

But unanimity quickly collapsed over an attempt by Agrarian Union — long-time Communist puppets — to also abolish the first paragraph, which stipulates that Bulgaria is a socialist state "headed by the working class."

"Who asked the Bulgarian working class if it wanted the leading role in our country?" asked Zhelo Zamirikov, a member of the union. "If it had had the leading role it never would have permitted the imprisonment of thousands of people — their fathers and brothers — in its name."

But Communist legislators resisted the repeal attempt. They applauded when an assembly member, Boris Spasov, said: "The name of the People's Republic of Bulgaria is sacred to every one of us. I think it should remain."

The assembly dodged a vote by agreeing to Mr. Lukanov's motion that a committee meet to come up with an amendment to Paragraph One and report back later in January.

Still, Communist officials said that Monday's vote should send an important signal to the West that Bulgaria is moving toward democracy and deserved financial aid and help with its $8 billion foreign debt.

"Of course it's a first step, but a very important, symbolic first step," said Foreign Minister Boyko Dimitrov.

Opposition leaders were more skeptical. "This is an important day, but we should not allow ourselves to rest on this achievement," said Petar Beron, vice chairman of the Union of Democratic Forces, a coalition of a dozen opposition groups. "The rule of communism is based on power and weapons, not the constitution."

Mr. Beron's union is to open roundtable talks Tuesday with the Communists and Agrarian Union on the country's political future.

Mr. Lukanov also reported on the progress his commission had made in documenting crimes and abuses of Mr. Zhivkov, his family and associates. He said that the panel would soon issue findings on corruption and the embezzlement of state funds and was seeking with the help of Swiss authorities, to trace public money that had vanished into foreign bank accounts. Mr. Zhivkov has been placed under house arrest and many observers expect that he will eventually face trial.

But most of the crimes described Monday took place before his rule, including the hanging in 1947 of Nikola Petkov, leader of the original Agrarian Union, and the killing of two imprisoned opposition leaders, Ludmilla Stavova in 1948 and Krustio Pastrikov in 1949.

Mr. Petkov's party was outlawed at the time of his execution and a second opposition party, the Social Democrats, was suppressed when the Dimitrov government imprisoned all 20 members of its central committee and all nine of its legislators. Mr. Lukanov's motion "rehabilitated" Mr. Petkov and his party.

Soviet Pullout Talks Start in Prague

By Jonathan C. Randal
Washington Post Service

PRAGUE — Czechoslovakia began talks with the Soviet Union on Monday on removing the estimated 75,000 Soviet troops from Czechoslovak territory.

Neither side issued a formal statement Monday, the first of several days of talks. The discussions are being led by Deputy Foreign Minister Evzen Vacek of Czechoslovakia and his Soviet counterpart, Ivan Aboimov, and are being attended by officials from the Defense, Finance and Interior ministries of each nation.

But the predominantly non-Communist government here, the first in Central Europe to hold formal talks on withdrawing Soviet forces, wants 50,000 to 60,000 Soviet soldiers out by mid-May and a commitment now for a total withdrawal by the end of the year, sources said.

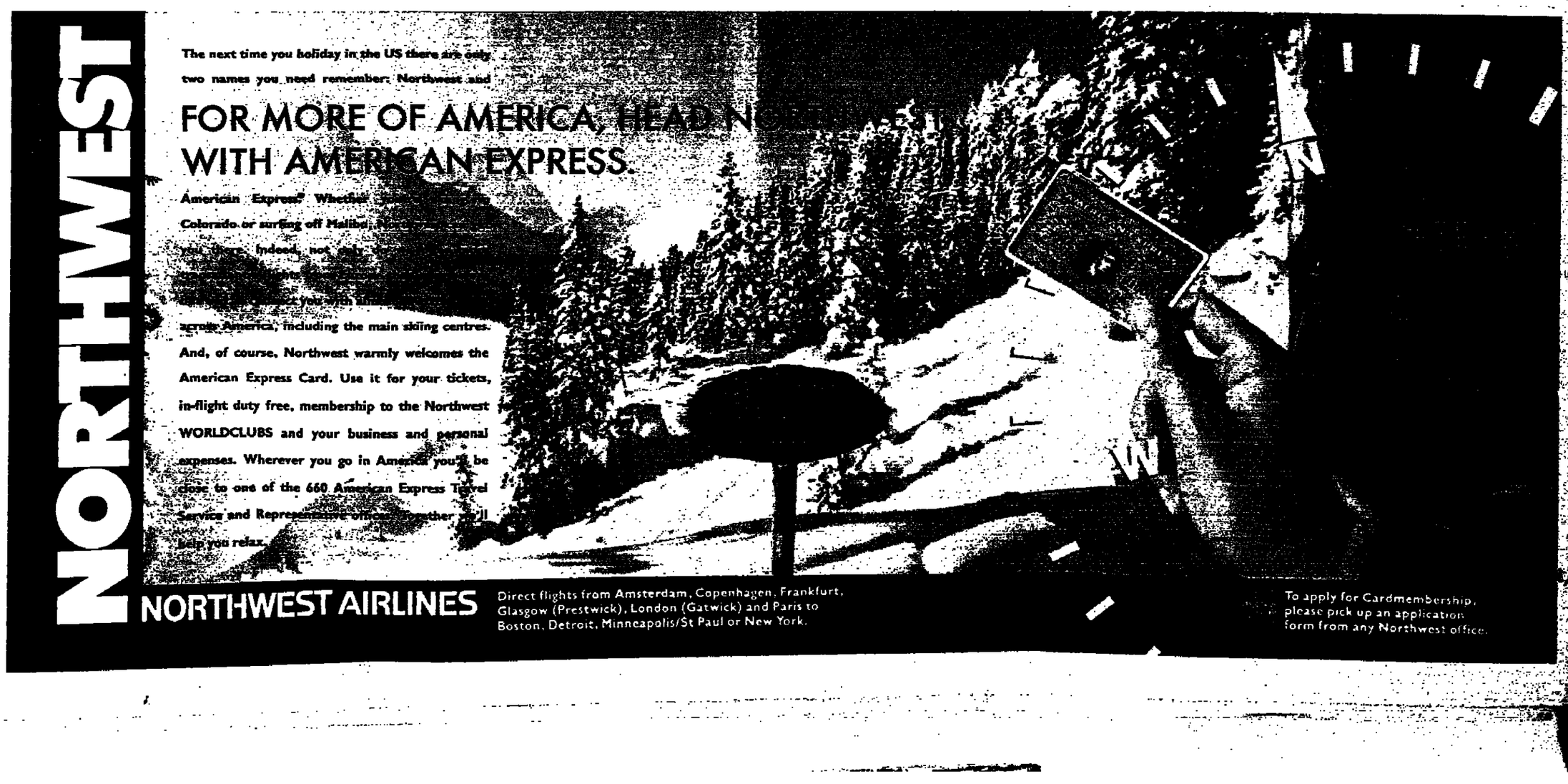
Almost immediately after assuming office last month, the Czechoslovak government proclaimed that the 1968 accords allowing Soviet troops a "temporary stay" were null and void because they were signed under duress after Soviet-led Warsaw Pact armies invaded to end Czechoslovakia's Prague Spring liberalization movement.

A Foreign Ministry spokesman "suggested" last week that the withdrawal be completed by the end of the year.

Czechoslovak officials argue that evacuation of "illegally stationed" Soviet troops is a purely bilateral question that is not linked to the Vienna talks on reducing conventional forces in Europe. In their view, those talks deal solely with troop levels of member countries of both the North Atlantic Treaty Organization and the Warsaw Pact.

But Western diplomatic sources said that if all Soviet troops left Czechoslovakia this year, U.S. and West European politicians would bring heavy pressure to bear for accelerated troop drawdowns from the Continent. That, some diplomats suggest, could destabilize European security and accelerate German reunification.

The Soviet Union also maintains 675,000 soldiers in East Germany, Bulgaria, Poland and Hungary, which is the only other former satellite to have asked for their withdrawal. No formal talks have begun between Budapest and Moscow.



Genscher, in Romania, Links Aid to the Rights Of German Minority

Compiled by Our Staff From Dispatches

BUCHAREST — West Germany pledged Monday to help Romania, but it linked long-term support to the treatment of the country's German-speaking minority.

Foreign Minister Hans-Dietrich Genscher proposed the linkage after a first round of talks with the new non-Communist government.

The ruling National Salvation Committee, which took power after President Nicolae Ceausescu was deposed on Dec. 22, is counting heavily on Bonn for help in rebuilding its economy.

Mr. Genscher, on the first day of a two-day visit, pledged political support for Romanian attempts to develop a democratic system and said that talks had already begun on economic assistance.

But Mr. Genscher told reporters that the flow of long-term aid would depend on moves toward democracy, including better treatment of ethnic minorities.

"We expect Romania to respect fully the rights of the minorities in future so that they have the freedom to stay or to leave," he said.

Mr. Genscher said that Bonn hoped that guarantees of democracy would encourage ethnic Germans to remain in Romania, but that West Germany would "keep the door open" for any of them who wanted to emigrate.

About 200,000 ethnic Germans remain in the country.

Foreign Minister Sergiu Celac said that new laws giving democratic rights to ethnic minorities should "settle the emigration problem."

Minority groups, mainly ethnic Hungarians, Germans and Serbs, suffered under the forced assimilation policy of Mr. Ceausescu.

Under a 1978 agreement with Bucharest, the Bonn government agreed to pay an average of 10,000 Deutsche marks (now about $5,900) for the freedom of each of about 130,000 ethnic Germans, diplomatic sources said.

But Mr. Celac said that the committee had not had time to investigate that agreement and did not know how much money had been paid or what had happened to it.

"I hope no one is holding the representatives of free Romania responsible for the criminal acts and abuses of the previous regime," he said.

In another development, Romanian students began electing delegates to free unions.

The Romanian Students League said the three-day election process was under way in the capital and provincial universities. About 6,000 students attended a rally in the northeastern city of Iasi to back the founding of student associations Sunday.

League delegates are to elect national representatives Saturday. They plan to form a national students federation Jan. 29.

Officials of the league said the associations were fighting for "freedom of political speech, religious freedom and the free flow of information," as well as for the separation of "politics and professional and scientific values."

Meanwhile, the first deputy chairman of the National Salvation Committee, Dumitru Mazilu, has threatened to sue the daily Romania Libera for libel, Rompres news agency reported.

The newspaper on Sunday urged Mr. Mazilu to resign, saying that he had been a member of the Securitate secret police and had sought to take power Friday in a demonstration in central Bucharest.

A spokesman for the committee, Aurel Dragos Munteanu, told reporters that Mr. Mazilu "had the trust of the entire council" of the National Salvation Committee, and had been a "staunch opponent of the Ceausescu regime."

Mr. Munteanu did not deny that Mr. Mazilu was once a member of the secret police but added that he joined the opposition five years ago. "Everybody has the right to change his mind," he said.

(Reuters, AFP)



Marian Athenasiadi/Agence France-Presse

The Romanian leader, Ion Iliescu, welcoming Foreign Minister Hans-Dietrich Genscher of West Germany, right, upon his arrival Monday in Bucharest for talks on political and economic assistance.

Shamir Is Firm on Territories

Reuters

TEL AVIV — Prime Minister Yitzhak Shamir says Israel must hold on to the occupied West Bank and Gaza because of an expected surge of Jewish immigration from the Soviet Union.

The influx of Soviet Jews, he said, will make Israel "bigger, better and stronger."

Government officials predict that at least 300,000 Soviet Jews will move to Israel in the next three years as a result of more liberal Soviet emigration policies and new U.S. restrictions on immigration.

"The Arabs around us are embarrassed," Mr. Shamir told members of his Likud party on Sunday. "They are in a mood of defeat, stricken with fear."

He added: "They see the success of Zionism and they have no answer for it. They have no cure. We have an answer and of course it is not a Palestinian state. For the big immigration, we must have the land of Israel and we have to fight for it, struggle for it."

Asked later whether the government would settle Soviet Jews in the occupied territories, where the Palestinian uprising known as the *intifada* has been under way for more than two years, Mr. Shamir said, "We will need a lot of room to absorb everyone, and every immigrant will go where he wants."

The prime minister made his statements as he sought to turn back a challenge from three hardline Likud ministers unhappy that he had retracted the dismissal of Science Minister Ezer Weizman, who allegedly had contacts with the Palestine Liberation Organization.

Under pressure from the three ministers, Trade Minister Ariel Sharon, Housing Minister David Levy and Economics Minister Yitzhak Modai, Mr. Shamir agreed to convene the party's Central Committee early next month.

He appealed for unity in the party and the government to face the challenge of the Soviet Jewish influx, which is expected to be one of the largest waves of immigration in Israeli history.

"Everything is about to change here," he said. "The state will be different, will look different. In another 5 or 10 years we will not know it."

About 70,000 Jewish settlers and 1.75 million Palestinians live in the occupied territories.

Space: A Quest for New Ideas

Frustrated by NASA Costs, White House Looks Beyond

By William J. Broad
New York Times Service

NEW YORK — The White House is reaching beyond NASA in a search for new ways to advance the manned space program, challenging a near monopoly the agency has held for more than three decades.

It is doing so mainly out of frustration with the agency's high cost estimates for space ventures.

It has asked two groups, the National Academy of Sciences and the Aerospace Industries Association, to conduct the search.

The hope is that they will uncover bold new ideas from industry, academia and federal research centers on how to send Americans to the moon and Mars, as President George Bush vowed to do last year.

The National Aeronautics and Space Administration will still have a fundamental role in evaluating many of the ideas, and in developing its own. But for the first time, its dominance in planning for the manned space program is being challenged.

"This has never happened," said Dr. John M. Logsdon, director of the Space Policy Institute at George Washington University and a White House adviser. "This is an open window for new ideas."

Federal officials say that even proposals from foreign experts would be considered.

Arnold D. Aldrich, NASA's associate director for aeronautics and space technology, said the agency considered the move "highly appropriate."

"There definitely are other ideas out there," he said. "A lot of our ideas are good, but we certainly haven't covered the waterfront."

The process has already begun. A panel set up by the industry association, which represents 54 aerospace companies, met for the first time last week, and the other panel is to start work this week.

Among the ideas already under study are building cheap, inflatable spaceships and using less astronaut labor in favor of robots for assembly in space.

Federal officials said the National Space Council, whose chairman is Vice President Dan Quayle, turned to the groups mainly out of frustration with the cost of NASA's plan to go back to the moon and then on to Mars. Rough estimates put it at $400 billion over three decades.

Mr. Quayle suggested the change Wednesday in a speech to astronomers, saying that Mr. Bush had asked the space council to create an "aggressive" space program that challenged "accepted ways of doing business."

The council, made up of Mr. Quayle and directors of 10 federal agencies, is the administration's top body for the formation of space policy.

The change comes as the Bush administration struggles to achieve what some experts dismiss as an impossible dream, given the budget woes facing the United States.

In July, on the 20th anniversary of the first lunar landing, Mr. Bush called on the United States to establish a manned base on the moon and to send an expedition to Mars.

Skeptics belittled the speech, saying it contained no firm funding commitment. White House officials, citing rough NASA studies, conceded that the goals might cost $400 billion and that concrete plans had yet to be developed.

Mr. Bush put the project in the hands of the space council, which asked NASA to study its feasibility. That report was delivered to the White House in November, generating mixed reviews.

It laid out five approaches for meeting the president's goals, using techniques and technologies the agency had studied for years and sometimes decades. At the earliest, the plans envisioned a human presence on the moon in 2001 and on Mars by 2011.

In late November, a panel of scientists and aerospace experts gathered at the White House at Mr. Quayle's request to help him assess the NASA report.

Among the new ideas already getting attention is one from the Lawrence Livermore National Laboratory in California that proposes to use inflatable parts, rather than rigid metal structures, to build a space station, moon base and Mars probe. The Livermore goal is to reduce the project cost from $400 billion to $40 billion.

In Siberia, Talk of a New Miners Strike

By Francis X. Clines
New York Times Service

NOVOKUZNETSK, U.S.S.R. — The Siberian miners who started a nationwide coal strike last summer say they are likely to resume their walkout, despite a government ban, because life remains so miserable for their families even though the Kremlin promised improvements within six months.

"I speak for all here when I say the politicians are not to be trusted, and we want our demands to be met," said Boris N. Goryev, pausing with his begrimed crew far down below the frigid whiteness where they man a snaggle-toothed combine machine that chews away at the labyrinthine blackness.

A midwinter resumption of the strike would greatly compound the problems of President Mikhail S. Gorbachev, who is being forced to juggle such assorted crises as separatist pressures on borders, renewed ethnic violence in the south, widespread anger over consumer shortages and turmoil in the Communist Party over its power to continue governing.

"We have a government by patchwork," said Vladimir E. Petrov, a member of the citywide workers' committee organized in the summer strike, which paralyzed the mining industry.

"One day they attend to Lithuania, the next day it's the Armenians, tomorrow it will be somewhere else," he said. He demanded to know what had happened to the government's heralded "compact" with the miners to permit them to try such experiments as management by workers and free-enterprise mining for foreign hard currency.

Instead of self-management and the hard-currency profits that the miners need to upgrade their life, the six-month deadline for the settlement finds the mines still tightly controlled by the government. Labor is still working under the decades-old quota system rather than for the profit sharing that the miners negotiated last summer.

Central government officials are scheduled to visit the miners next week, but the workers say they know what to expect.

"The same thing we saw in the Congress of People's Deputies on television last month: talk, talk and more talk," a miner said.

Valery V. Kiselyov, a 32-year veteran of the mines who ascended in July to become chairman of the workers' committee, said the lesson for the miners is therefore clear: Resume the pressure and get back to the top of the Kremlin's revolving crisis list.

"We have reached a point where the miners have no faith in government," he said, describing the strike experience as a sad lesson in cynicism for the miners who are more and more inclined to resume the walkout, sensing that the single-party system needs constant prodding.

"Competition of ideas enlivens political and economic life," he said. "Without it, movement is impossible."

The lesson is clear: Resume the pressure and get back to the top of the Kremlin's revolving crisis list.

The workers' council is trying to channel the discontent into provincial elections on March 4. It is offering a full slate of more than 200 mining and mill workers to run against the entrenched party professionals from the parliament and the city council.

In their anger, the miners note that the much-touted extra ration of consumer goods that the Kremlin assigned to the mining regions because of the strike has disappeared with barely a trace.

Alexander M. Obelchek, a workers' committee member, said the strike bonus included a total of two pairs of women's boots at one workplace, for which 3,000 workers held a lottery. Similarly, 1,000 laborers at a mine held a lottery for two washing machines, he said.

The meat boon averaged two ounces (56 grams) per person per week.

Another critical problem, the region's scandalously inadequate housing, is growing worse, the miners said.

They said last year's government quota for housing construction was 30 to 50 percent under the level promised for the region. New local government proposals call for a shrinkage of the minimum housing standard, now 12 square meters per person (about 120 square feet) to 8 square meters.

Such coveted goods as television sets and video recorders, refrigerators and washing machines can be ordered only with special coupons that take years to obtain, miners complain, and daily needs like sugar, tea, instant coffee and soap remain subject to intermittent rationing.

Siberia, once fabled for its distant pristine beauty, is now notorious for industrial pollution.

Novokuznetsk, a city of 630,000, is measured as one of the most noxious in the country. The wintry rural tableaux are cruelly stippled with steel and aluminum plant stacks endlessly belching smoke that begrimes the snow mantle.

After work, some of the miners watched a party leader confidently monopolizing the local television with a plea for time and understanding.

The miners looked away, picked up their vodka glasses and toasted the memory of Andrei D. Sakharov, the late champion of democratic rights, as one of the few officials who did not dissemble in the face of the people's yearnings.

Their gesture and their vow that the party leader's privileged place on television would end, seemed a vivid endorsement of Mr. Sakharov's own hope that "the centuries-old abject and servile Russian spirit" would someday fade from the land.

"Let us not forget positive things," scolded the party leader on the screen. The miners ignored him and refilled their glasses.

"Too bad we do not know what is in store," said Yuri N. Kandyba. "I have two sons. What can they expect?"

"Gorbachev keeps trying to solve everything with his prestige," he said, touching on a common complaint at the table.

"So far the only real change is we can talk more freely now," one miner said earlier in the day, talking freely indeed in the darkness of the mine and resolving that the miners accomplish more the next time they strike.

2,000 at Mass For the Victims Of Fire in Spain

The Associated Press

ZARAGOZA, Spain — About 2,000 people filled the main cathedral here Monday for a funeral Mass for 43 persons killed in a weekend discotheque fire, most of them apparently the victims of toxic fumes.

Medical examiners said Monday that they had found fatal levels of carbon monoxide in blood samples taken from all the victims. The victims apparently were also affected by hydrocyanic acid, said Ignacio Bruna, a government spokesman.

Both types of fumes can be emitted when furnishings made of certain synthetic compounds are exposed to intense heat.

Carlos Pérez Anadon, the government's representative, said the official cause of the fire and of the deaths would not be determined until autopsies were completed.

Montenegro Aide Sees Anti-Communist Hysteria

Reuters

BELGRADE — A leading Yugoslav Communist politician accused the country's flourishing opposition groups on Monday of whipping up anti-Communist hysteria.

"I am very surprised and disappointed by the aggressive anti-communism manifesting itself as the political alternative," Milo Djukanovic, Politburo secretary of the Montenegrin Communist Party, was quoted as saying in an interview with Politika Ekspres. "I am downright afraid of such a lack of democracy."

Dozens of opposition parties have emerged in Communist Yugoslavia's eight republics and provinces, with programs ranging from social democracy to demanding more regional autonomy.

Over the weekend, the authorities in the largest republic, Serbia, banned the Serbian National Renaissance Party whose program includes expanding Serbia's borders at the expense of other republics. The party leader, Mirko Jovic, was detained by the police and its chief ideologist, Vuk Draskovic, said he was constantly harassed by unidentified people.

In the two most Westernized republics, Croatia and Slovenia, the Communists have pledged to hold free multiparty elections in the spring. Serbia has been reluctant to follow suit.

U.S. Confirms Soviets Caught Agent

By Michael Wines
New York Times Service

WASHINGTON — U.S. officials have confirmed that the Soviet Union has arrested an American agent working deep within the Soviet bureaucracy, and expressed mild surprise that the Russians had made public his capture.

While U.S. agencies formally declined comment on Soviet reports of the spy's arrest, one official expressed regret over the matter and indicated that the agent, identified as Donald F., had provided important service to the United States.

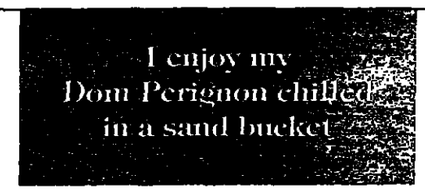
"The positive thing is that, regardless of what may be said in public, we ran this guy for a long time," the official said, adding that Donald was arrested several weeks ago and that U.S. intelligence agencies had known of his capture for some time.

The Communist Party newspaper Pravda reported Sunday that the agent had been sentenced to death.

A spokesman for the Central Intelligence Agency declined to confirm or deny the report of Donald's arrest, and the FBI would not comment, either.

As a general practice, neither U.S. nor Soviet espionage agencies admit that someone has worked for them, and, until lately, the Russians have seldom conceded that foreign agents have penetrated their ranks.

Such disclosures are more common under President Mikhail S. Gorbachev, although the reason for this is not clear.



Dom Perignon chilled in a sand bucket is nice on the rocks overlooking the deep blue sea.

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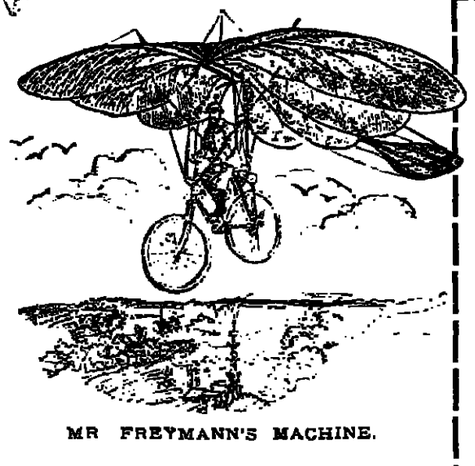
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Style



Photos by Christopher Moore; IHT sketch by Philippe Lemmy

Scenes from the Italian menswear shows in Milan: right, suede parka with brushed cotton pants by Byblos; top, Valentino's graphic duffel coat, and above, sketch of Versace's quilted parka.

Macho to Ecological: Menswear Goes Green On Milan's Runways

By Suzy Menkes
International Herald Tribune

MILAN — Italian menswear has gone green. The designers who gave the fashion world the yuppie suit have switched from macho to ecological. In a root-and-branch change of image, sharp shoulders are now sloping, fabrics are brushed and colors are drawn from nature.

Here was Valentino off to the Canadian Rockies with lumberjack plaids and blanket checks; Ferré's man was muffled in quilted suede and speckled tweed; checked sports coats, wide wale cords and the duffel coat are all on a roll. Even Gianni Versace made the parka a shrug-on evening coat.

The ultimate symbol of change was the sheep-in-wolf's-clothing produced by Mario Valentino, specialists in skin. They took shearling, brushed it out and triple-dyed the sheepskin to make a poncho that looks like wolf but is ecologically O.K.

Giorgio Armani, who dropped suit shoulders last season in favor of the soft slouch says that this required complete re-cutting of his tailoring.

"But it is still a masculine shape," he says of a coat in the softest chenille in bronze — the base shade of his new collection, shown Monday night. He divided it into classics, "managerial" or business clothes, avant-garde (Armani's favorite) and the Emporio line. Armani's fabrics, always technically extraordinary, include herringbone chenille and deep-pile velour.

Elsewhere, the new mood in Italy is expressed in color and fabric as much as in shape. From a Tuscan landscape, Basile drew the gray-green of olive groves, terra-cotta and tomato, for country-style separates. In his widely distributed Oaks line, Ferré used a pale, wintry mud beige for cabled sweaters and cord pants furrowed like ploughed fields. Missoni, now majoring in sportswear as well as the celebrated patterned knits, had hairy tweeds in undergrowth colors from lichen green through birch brown. Soprani's colors were bolder gold or kingfisher worked among neutral shades.

Italy's inventive fabric manufacturers, on which the success of its mighty menswear industry depends, have gone for the soft touch: plush wool, mouflon, brushed cotton, velveteen and a chenille jersey giving bulk without weight.

"I like this English country look coming through in the Italian shows," said Ira Neimark of Bergdorf Goodman, which will open a new menswear store on Fifth Avenue next August.

The Milan menswear shows, most of which are now grouped together at the efficient but bland Fiera, are a mix of runway presentations and still-life displays. Valentino caught the best of both with a dramatic show on a Canadian Mountie theme, in which the models swept over a horizon in swashbuckling hats and boots, in graphic color blocks of pimento red and earth brown. The short duffel or burnoose coat was the main story.

FERRÉ made less than he might have of a very fine collection by displaying it on hanging rails. Vibrant Harris tweed jackets in red, blue and green stood out against a quiet palette of oatmeal Donegal tweed suits and autumnal-gold quilted suedes.

Versace stayed with a silhouette based on a powerful male body, with a dropped but still wide shoulder and double-breasted suits sculpting the torso. Among all the country looks, it was a relief to find a designer who had absorbed the textures of velvet and chenille and the shapes of the hooded parka and duffel, and made them in his own sophisticated image. Versace's knits in harlequin blocks of zingy color and his luscious printed velvet shirts are collectors items.

In the hazy Milan sunshine, the industrial city is struggling with unacceptable levels of pollution, threatening to close schools and ban trucks. Against this background, the Roman designer Laura Biagiotti feels strongly for green. She showed autumn leaf patterns in knit and country tweed pants in an imaginative Italianate garden set.

"These changes in fashion are not just a way of dressing but a way of life," says Biagiotti, who is preserving a green space around her Roman castle by building a 36-hole golf course. "We have to stay in contact with nature and to give out a positive message about making life better."

Keith Varty and Alan Cleaver, the English-born designer team behind Byblos, believe that there has been a change in society since they came to Italy 10 years ago.

"Then it was all Ferrara, power dressing, huge plates of pasta and excess. Now it's Range Rovers, simple living and dressing for the country," says Varty.

In the Byblos show, fresh fashion breezes blew through the rustic chic. Fair isle and heraldic patterns were mixed in sweaters; ethnic embroideries edged short coats; evening outfits were quilted silk blousons. The familiar duffels were offered here in sweet potpourri colors — faded pink, sky blue, almond green — that look newer than the earthy greens and browns.

There is one endangered species in this ecologically aware menswear season: the regular suit.

"There is a lack of anything with a business mentality," says Linda Beauchamp, vice president and men's fashion director for Saks Fifth Avenue. "Intellectually, it is nice to think of leaving a business situation behind. But the reality is that we work all week for the clothes we wear on weekends, and business dress is a major portion of the men's business. My heart bleeds for my necktie buyer."

Krizia, in its fast-growing men's line, had all sorts of suits, mostly classic, but in country colors of earth and mud browns.

IRONICALLY, it is the avant-garde and offbeat designers who favor the suit. The three-button single-breasted style with narrow pants, in a color spectrum of Renaissance old gold and Indian spices, is a Romeo Gigli trademark. He pegs that up with shirts and ties in ethnic weaves or prints. Over it goes the short, knee-length coat that is an important story for outerwear.

Dolce and Gabbana made a good showing in their first menswear collection. They had suits in interesting proportions and tactile fabrics, with a long, high-buttoned jacket over narrow pants.

Diana Vreeland once described bad taste as fashion's dash of paprika. Moschino's line was pretty regular, but he had fashion fun with shrunken sweaters, tailoring mixes of tartan with velvet, deck chair-striped linings and the hottest strip show in town — five pairs of briefs that came off one model on the runway to show off the underwear line.

ITALIAN MENSWEAR

STYLE MAKERS

Punk Classics

PETER SELLARS

PARIS — The term *enfant terrible* is applied often enough to Peter Sellars. He fits one dictionary definition ("one who is strikingly unorthodox, innovative, or avant-garde") in his theater and opera stagings, and his elfin appearance and manner — blond hair popping straight up as if permanently electrified and a manic giggle punctuating his discourse — does nothing to discourage the impression of a Katzenjammer Kid running wild among the world's masterworks.

But it doesn't wash. Behind the abrasively updated, perceptive and hyperkinetic stagings of operas more than two centuries old is a relentless seriousness, an insistence that the spectators recognize themselves and the world around them in the works of Mozart and Handel.

It seems to work, for if the critics complain of the anomalies, the audiences burst into laughter at the sight of Cleopatra's antoerotic antics by the side of an Egyptian hotel swimming pool or at Don Giovanni and Leporello's Big Mac banquet with 18th-century *Tafelmusik* erupting from a ghetto blaster. The sometimes exigent, sometimes capricious French audiences have been enthusiastic, in suburban Bobigny, where his "Don Giovanni" and "Marriage of Figaro" appeared a few weeks ago, and in Nanterre, where Handel's "Giulio Cesare in Egitto" is on through Feb. 3.

Anomalies there are. If setting "Don Giovanni" in the streets of the south Bronx or some grungy neighborhood of Queens makes it thoroughly clear that the Don is a sociopathic thug, it also robs him of the social status that has protected him for so long. Ditto putting the Almavivas on the umpteenth floor of the Trump Tower, where *jus primae noctis* doesn't work, but a lot of the other social stresses are still valid in spades.

Sellars cheerfully agrees that the anachronisms are part of the price for a modern-dress staging to hit the audience where it lives. When Julius Caesar appears in a business suit — manifestly modeled on some recent or about-to-be American president — he sails into countertenor coloratura pyrotechnics with an eerie triumphalism that is at once historic, prophetic and disturbingly present. It could have been staged last week, but dates from the 1985 Pepsico Summerfare festival and came to Nanterre by way of Brussels.

AS for the kind of rudimentary discrepancy in how the characters dress or how the sets look, Sellars is unrepentant. "Each era thinks that what it's doing is authentic, yet each era looks like itself," he says. "The Metropolitan Opera's 1950s 'Marriage of Figaro' looks like the 1950s."

At 32, Sellars has spent a lifetime in one kind of theater or another. As a child he apprenticed in a marionette theater, as a teenager he ran a theater for kids in Denver. The son of Pittsburgh high school teachers, he went to Phillips Andover, then Harvard, where he was on a "special concentration" course that allowed him to write his own syllabus. One of his Harvard capers was a four-hour condensation of Wagner's 17-hour "Ring" cycle, an experience that taught him that "cutting Wagner makes him seem longer." Now the music gets respect and the full treatment, one result being that "Giulio Cesare" plays at Wagnerian length.

Another result of that "Ring" was that it was seen by the soprano Susan Larson (his Cleopatra in Nanterre), which led immediately after graduation to his staging "Don Giovanni" at the Monadnock Music Festival in New Hampshire. Since then he has been director of the Boston Shakespeare Company and, at age 26, director of the ill-fated American National Theater at the Kennedy Center in Washington.



Florence Allen

The need is for "opera as contemporary as the public."

The latter was perhaps too European an enterprise in the wrong place. Reviews were mixed to hostile and the audience stayed mostly away. But Sellars recalls that "in 18 months we did 25 productions, of which I staged six or so. We got to do the classics with major actors, but there was not a broad enough base of support."

His recent career has turned more operatic, but not exclusively toward the past. "Nixon in China" was a collaboration of Sellars, the composer John Adams and the poet Alice Goodman, and the same team is busy on an opera based on the hijacking of the Achille Lauro. The modus operandi is that Sellars has the idea for the opera, "then Alice and John go to work, and I take care of whether it works in the theater."

To keep a new work from dying at birth he tries to line up theaters in six cities, and he keeps working on it. "New operas get these 'saved by the production' reviews, but usually it's not true — the opera is great and the production a disaster. At first you don't know the piece well enough. By the time 'Nixon in China' reached Amsterdam it was fantastic. I don't think I would have wanted to hear the first performance of Beethoven's Fifth."

He is evangelical about the need for new operas. "The real task is to build a body of opera as contemporary as the public, and *I intend* to devote my life to that. In Milan or Vienna in the 18th and 19th centuries there was a 'contemporary' opera on every night. It's not for want of important composers today, but they have to be invited to do more opera.

"I'm star-struck in the presence of creative people. Being a stage director is like organizing a party — what makes a good party is the quality of the guest list."

Not everything is opera. One project is a silent feature film with a score by Adams called "The Cabinet of Dr. Ramirez." Another is directing the Los Angeles Festival, a triennial outgrowth of the Olympic year cultural festival. This September it will be devoted to Asian and Latin culture.

"It is about the future of the arts in America, because that culture is going to transform America in the way the immigration from Europe did 50 years ago. One interesting thing is that Japanese businesses have paid $2 million already — without that, no festival."

Perhaps Sellars's whiz-kiddism peaked six years ago when he got one of the MacArthur Foundation's five-year, no-strings "genius" grants. It enhanced his level of confidence and well-being, he thinks, but mainly "I realized I had to get serious. People are watching."

David Stevens

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Solution to Previous Puzzle

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Herald Tribune INTERNATIONAL

BUSINESS/FINANCE

TUESDAY, JANUARY 16, 1990

INTERNATIONAL STOCKS

Vienna Setting Records On East Europe Hopes

By Hester Abrams
Reuters

VIENNA — After a year of steady gains, Austria's once-sleepy stock market has hit unexpected heights on dreams of potential profits from liberalizing business in Eastern Europe. The Vienna Bourse index sailed on Friday to 603.54, the fourth consecutive day it had hit an all-time high, in what is usually a quiet New Year period. Profit-taking brought the index down 14.18 points on Monday to 589.36, but the level was up 20 percent since the start of trading in 1990.

"No other exchange has gone up so far, so fast this year," said the Vienna Bourse spokesman, Christian Gutlederer.

Michael Lielacher of the Erste Oesterreichische bank said, "The underlying fundamentals look good, but East bloc fantasy is even better."

The Austrian Bourse index has gone up 20 percent so far this year.

While the transition from central planning to Western-style market economies may not be easy for Easter European economies as a whole, Mr. Lielacher said, companies will generally fare well.

"Nationalized industries which get Western partners will do extremely well," he said. "Only those which keep their old style will have problems, facing unemployment and huge debts."

With both labor and eager consumers plentiful in Eastern Europe, Western companies are in great demand for financing and would themselves benefit from Eastern liberalization, Mr. Lielacher said.

Figures published by the federal chamber of commerce show that Austria already has more than 250 joint ventures with its Eastern neighbors, ranging from 98 in Hungary and 65 in the Soviet Union to 10 in Bulgaria.

Hungary's Ibusz travel agency became the first East European company to be listed on a Western stock exchange one month ago in Vienna when it was partly privatized. Ibusz also will be introduced on the planned Budapest stock exchange, which is expected to open early this year.

Deputy Trade Minister Imre Gellai of Hungary said at the time that Ibusz was chosen because it is one of Hungary's best-managed companies, and because prospects are good for tourism.

SPEAKING FOR Vienna's semi-official Institute for Comparative Economic Comparisons, Heinz Handler said other companies are unlikely to rush to follow Ibusz onto Western exchanges.

"It depends how fast Western management takes hold in the East bloc," he said. "It'll be at least five years before it happens noticeably beyond Hungary."

Investors have been buying shares at Vienna's ornate pillared Bourse in increasing numbers over the past year, encouraged by a "Sleeping Beauty" awakening last spring, which took the exchange's index to a then-record high of 300 points.

Mr. Handler says public attitudes to speculating in shares have changed, with tax benefits and increasing media coverage whetting investors' appetites.

Mr. Lederer of the Bourse says European, Japanese and U.S. institutions are regular players, making up about 40 per cent of activity.

"It's one of the very few markets where you have all the things you want," said Mr. Lielacher of the Erste Oesterreichische bank, citing Austria's buoyant economy and its ambition to become a member of the European Community.

Austria, a member of the European Free Trade Association, asked six months ago to join the Community; its request is still pending. And Vienna is vying with Copenhagen to become the headquarters of a European development bank that would finance the rebuilding of Eastern Europe.

As to the Vienna stock market, Mr. Lielacher said, "We have new issues coming all the time with the start of on options market, more and more warrants, a lot of international players, lots of money coming in and a lot of optimism. It's wonderful."

Ford Strike Menaces U.K. Wage Restraint

Compiled by Our Staff From Dispatches

LONDON — Ford Motor Co.'s benchmark wage negotiations added to fears of surging inflation on Monday as more than 1,000 of the automaker's employees staged wildcat strikes, rejecting as too low a wage offer that the government of Margaret Thatcher has already warned is too high.

Despite a promise by their union that no strikes would be called before Wednesday, workers at three Ford plants put down their tools to protest the company's offer Wednesday of a 10.2 percent wage rise.

The Ford talks have already fueled government concern about rising pay deals at a time when analysts believe soaring wage costs could derail efforts to reduce inflation, despite high interest rates. Mrs. Thatcher last week said unit labor costs were Britain's worst problem and that it was up to employers to exercise pay restraint.

Richard Jeffrey, director of economics at Security Pacific Hoare Govett, said, "The markets are clearly concerned it will take much longer to control inflation than originally thought."

Britain's November underlying average earnings, due on Thursday, are expected to show steady growth of 9.25 percent, but some economists predict a rise of 0.25 to 9.50 percent. Ford's two-year pay offer included a 10.2 percent increase in the first year and an increase of 7.5 percent, or the inflation rate plus 2.5 percent, in the second year.

Retail sales grew far more than expected in December, adding to inflation worries. Page 13.

The ultimate Ford deal may end up being only slightly higher than the trend for private-sector settlements, but it will grab headlines since it is usually a benchmark for other British union pay negotiations, economists said. "It could be difficult to hold settlements below 10 percent after this," said Robin Marshall, chief economist with Chase Investment Bank, said.

Ford's Bridgend plant was brought to a standstill Monday by a strike by about half of the 1,500 work force, which has already voted to hold a 24-hour strike on Wednesday, when national talks resume.

In addition, some 600 skilled maintenance workers at two assembly plants in Halewood in northwest England also launched an indefinite strike Monday, disrupting work, Ford said. A subsequent breakdown in the body shop meant production workers were laid off in this area, a Ford spokesman said.

The Ford spokesman said the company was "extremely dismayed" about the wildcat strikes, because the unions had assured the company that there would be no work stoppages before Wednesday's talks. He said he could not say what action the automaker's night-shift workers might take.

(Reuters, AP)

■ EC Unemployment Falls

The European Community unemployment rate fell to 8.9 percent in November 1989, breaking the 9 percent barrier for the first time in eight years, the Associated Press reported from Luxembourg.

The EC's statistics agency, Eurostat, said that the rate still stood at 9.7 percent in November 1988 and had reached 9 percent in October last year. The drop showed the "investment and growth-oriented policies" of the 12-nation Community were working, the EC's economic affairs commissioner Henning Christophersen said in a statement.

Eurostat said that national unemployment rates either fell slightly or were unchanged in November, except in West Germany and Denmark. The rise in West Germany — to 8 percent from 6.9 percent — reflected the movement of East German workers to the West seeking jobs, the statement said.

In a separate development, Finnish consumer prices rose 6.5 percent in 1989, triggering an automatic 2.5 percent pay rise for about 1.2 million workers in a national incomes program, Reuters reported from Helsinki. An agreement reached in 1988 guaranteed workers a pay rise equal to any rise in prices greater than 4 percent in 1989.

EC Is Divided On Challenge to UTA Takeover

Agence France-Presse

BRUSSELS — A showdown seems likely in the European Community's executive Commission over whether to allow a proposed takeover of Union de Transports Aériens by Air France, which would give the French state-owned carrier virtual control over French international services and most domestic routes, EC sources said on Monday.

The commissioner in charge of competition policy, Sir Leon Brittan, is seriously at odds with the transportation commissioner, Karel van Miert, on whether the proposed acquisition violates anti-monopoly rules, Commission sources said.

On Friday, Air France said it had agreed to pay 3.8 billion francs ($667 million) to Chargeurs SA for a 54.8 stake in UTA, which principally serves routes from France to Africa and Asia. The transaction would also give Air France control of Air Inter, Europe's largest domestic carrier.

Sir Leon, a former British cabinet minister committed to liberalizing the EC's highly regulated air-transport market, said in a statement Monday that the takeover "raises fundamental questions under the Community's competition policy."

"In particular, there will be considerable concern about the protection of the consumer as air traveler in the single European market," he added.

Sir Leon reiterated a warning he made Friday that the Commission "will certainly" investigate the takeover and take appropriate action if it saw a violation of community law.

In contrast, Mr. Van Miert contended that the acquisition would not undermine competition. In an interview published by the French business daily Les Echos on Monday, he asserted that Air France, UTA and Air Inter "each cover different territory."

"So their union does not undermine competition, apart from a few exceptions such as the French overseas territories, the Paris-San Francisco route, Paris-Papeete etc., which we will examine," he said. Papeete is the chief administrative town of Tahiti, French Polynesia.

A Commission source said Sir Leon was expecting to receive information from Air France and the French authorities in the next few days that would enable him to decide whether to send a formal letter of objection.

But any further action must be endorsed by the 17-member Commission, which ultimately can annul the transaction if it sees a violation of competition law. At least nine members of the panel are needed to approve any such action.

The outcome "is by no means clear-cut," the Commission source said.

Pressure will be strong to allow the takeover to go ahead, the source said, because officials are aware that any action against it could also torpedo a proposed joint venture between Sabena SA of Belgium, British Airways and KLM Royal Dutch Airlines.

In addition, analysts noted that there is strong support in some European capitals, especially Paris, for creating European commercial giants that are able to compete on the same footing as U.S. and Japanese rivals.

At present, the Commission's legal powers against mergers are valid only after the transaction has taken place, though it has frequently used the threat of legal action against takeovers in the planning stage.

Sabena Unsure Of Regulators' Reaction to Tie

Reuters

BRUSSELS — Sabena, the Belgian state-owned airline, said Monday it did not know whether the European Commission would hinder its planned link-up with British Airways PLC and KLM Royal Dutch Airlines.

"I think they will not interfere, but if they do, we will try to work things out with them without changing the global purpose," Carlos van Rafelghem, the Sabena chairman said.

A spokesman for the commission said the panel probably would give its first opinion on the deal by the middle of February.

British Airways and KLM have each bought a 20 percent stake in Sabena's new subsidiary for air transport.

These stakes cost a total of 4 billion Belgian francs ($113.4 million).

Under the alliance, BA and KLM would benefit from increased access to Brussels airport while Sabena got a badly needed capital injection from its bigger European rivals to help finance its own expansion.

UAL Pilots To Try for Buyout Bid Next Week

Compiled by Our Staff From Dispatches

CHICAGO — Officials of the United Airlines pilots union say they will try to come up with a new buyout proposal for the parent UAL Corp. by the middle of next week to prevent a costly recapitalization by the board.

The union's governing council will meet Jan. 24 "to determine if we can develop a viable proposal for employee ownership to submit to the board the next day," three top officials of the United branch of the Air Line Pilots Association said in a letter to the 7,000 members.

The letter, whose text became available Monday, follows a UAL board report last week that its advisers would try to submit a recapitalization plan by Jan. 25 because no leveraged buyout proposal from employees was in sight.

Such a recapitalization, intended to boost the company's stock price, would be likely to reduce UAL's equity and increase its debt.

The pilots and the UAL chairman, Stephen M. Wolf, led a $300-a-share, or $6.8 billion, buyout attempt for the carrier's parent last year. The offer collapsed when they failed to obtain financing, and talks to come up with a revised plan have gone slowly.

The pilots' letter to union members said traditional labor tactics, even calling for a strike, are of "questionable and limited value" in blocking a recapitalization.

The union said that Coniston Partners, which holds 11.8 percent of UAL, is pressing for a recapitalization.

The union letter said, "Empty debt, the result of a 'recapitalization,' could in fact ruin this airline and every employee's dream of a profitable and secure future."

(A.P., Reuters)

■ Rorer Seeks Transaction

Rorer Group Inc. said Monday it was negotiating with another unidentified company on a possible strategic transaction that would make Rorer a larger and stronger worldwide pharmaceutical company, Reuters reported from Philadelphia.

As a result of the transaction, if arranged, Rorer would continue as a publicly traded U.S. company led by current management, with current shareholders retaining a 32 percent position in the company's equity, it said.

From Lotteries to Boardrooms

Spain's Organization of Blind Builds Corporate Clout

By Richard Lorant
Special to the Herald Tribune

MADRID — News that the Italian media magnate Silvio Berlusconi teamed up with the National Organization of Blind Spaniards to win a battle for control of the private television station Telecinco may have thrust the nonprofit charity into the international spotlight. But it surprised no one in Spain.

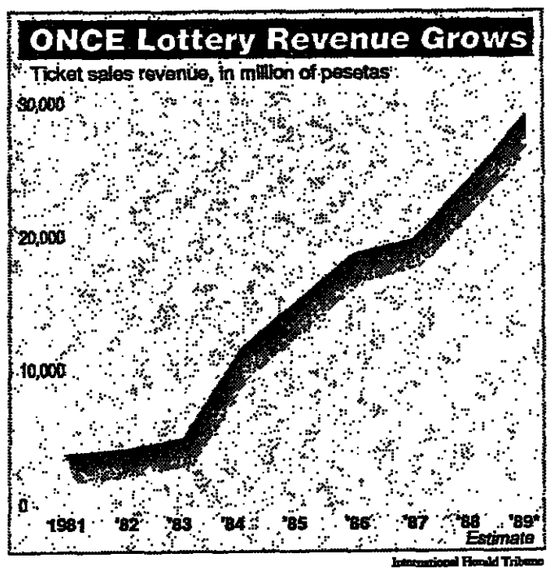
Since 1982, ONCE (the organization's Spanish acronym, pronounced on-thay), has built a once-moribund lottery into the base of a powerhouse with holdings in two leading banks, a major construction company, 17 radio stations and numerous pieces of real estate.

Lottery ticket sales last year totaled an estimated 280 billion pesetas ($2.56 billion), up from 232 billion pesetas in 1988, according to ONCE figures.

Last year, Spaniards placed 3.4 trillion pesetas in bets of all kinds, including casino gambling and bingo games. They had losses of a net 35 billion pesetas on the wagers.

Fifty-one percent of ONCE's lottery revenue last year went for prizes, while most of the rest paid salaries and pensions for the group's 32,000 affiliates, which include 21,000 handicapped ticket-sellers — 13,000 of them blind.

The ticket-sales figure does not include earnings from the shareholdings that ONCE has bought in the year since Director General Miguel Durán Campos initiated a diversification policy aimed at complementing income from the lottery.



Mr. Durán, who is himself blind, recently was elected to a new, four-year mandate at the helm of ONCE, and was named the Gestevisión-Telecinco chairman at a board meeting on Monday.

That followed a tumultuous shareholders' meeting Thursday in which ONCE and Mr. Berlusconi's Fininvest SpA, both of which own 25 percent of Telecinco, fired the former board chairman, Germán Sánchez Rnipérez. Mr. Sánchez Rnipérez is head of the Anaya SA publishing house, another 25 percent partner.

The chocolate manufacturer Juan Fernández Montreal, who owns 15 percent of the station, sided with Sánchez Ruipérez, while ONCE and Fininvest had support from the builder Angel Medrano, who holds a 10 percent stake.

At a press conference following the ouster, Mr. Duran and Mr. Berlusconi said they performed the

See BLIND, Page 14

U.S. Blacks Object to Cigarettes Targeted at Them

The Associated Press

PHILADELPHIA — Black leaders and health organizations plan to protest the launch here by R.J. Reynolds Tobacco Co. of a new menthol cigarette targeted at blacks. The company, in reply, claims that it is a victim of discrimination.

Reynolds plans to introduce Uptown cigarettes in Philadelphia on Feb. 5 as a test before marketing the brand throughout the United States.

"They're taking their own brand of death and trying to market it to the black community," said Pastor Jesse Brown of the Christ Evangelical Lutheran Church and president of the Committee to Prevent Cancer Among Blacks.

But a spokeswoman for the company, Maura Payne, said Reynolds was merely trying to compete with other existing brands.

"There seems to be a bit of bigotry here," Ms. Payne said. "People are arguing that black consumers don't have a right to buy a product for which they have expressed a desire. We believe black smokers have a right to choose between Newport, Salem, Kools and Uptown."

Representatives from 30 groups including the American Cancer Society, local black religious groups and the city Health Department, met Thursday and will meet again soon to plan protest strategies, said Robert Robinson, president of the National Black Leadership Initiative on Cancer in Philadelphia.

"I'm very opposed to the idea of a cigarette being developed and targeted to the African-American community," Mr. Robinson said. "The African-American community is already suffering the highest rate of cancer in the country."

Uptown is being marketed partly because Reynolds's other menthol cigarette, Salem, has declined in popularity, Ms. Payne said. About 62 percent of all black smokers prefer menthol cigarettes, she said, but studies showed Salem had too much menthol for many black smokers.

According to the U.S. Office of Smoking and Health, 34 percent of blacks and 29 percent of whites in the United States smoked cigarettes in 1985, the latest figures available.

According to the Centers for Disease Control, another survey of adult Americans conducted during 1989 showed that 28.8 percent of all adult Americans are cigarette smokers.

This study said that smoking rates had continued to fall by a steady half-percentage point a year.

CURRENCY RATES

Cross Rates

Jan. 15

	$	£	DM.	F.F.	B.L.	Guil.	B.F.	S.F.	Yen
Amsterdam	1.898	3.171	1.1276	0.3314	0.1513 *	—	5.38 *	1.366	1.3043 *
Brussels(c)	35.2725	58.96	20.965	6.162	2.8117 *	18.591	—	25.3225	0.3425
Frankfurt	1.8833	2.814	—	0.294	0.1342 *	0.8868	4.771 *	1.123	1.155 *
London (b)	1.6615	—	0.819	9.576	2.092.80	3.1765	58.87	2.988	301.595
Milan	1,255.50	2,094.70	745.65	219.15	—	661.25	35.574	936.85	8.621
New York(c)	—	1.663 b	1.6958	5.7355	N.A.	N.A.	N.A.	1.511	145.635
Paris	5.7285	9.565	3.4025	—	0.4953 *	3.0175	0.1622	3.818	3.9375 *
Tokyo					Closed				
Zurich	1.507	2.5118	0.8934	0.2634	0.1198 *	0.7939	4.2576 *	—	1.0326 *
ECU	1.21	0.7235	2.0358	6.9262	1.518.11	2.2956	42.6748	1.8132	175.599
SDR	1.321	0.7945	2.2214	7.5651	1,659.38	2.5876	46.6382	1.9789	192.267

*Closings in London and Zurich, fixings in other centers. New York early closing rates at 1 P.M. (c)-Commercial francs: b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	1700.0	Fin. markka	3.96	Mex. peso	2682.00	S. Afr. rand	2.535
Austral. $	1.3626	Greek drac.	156.60	N. Zealand $	1.6353	Soviet ruble*	0.6066
Austr. schil.	11.86	Hong Kong $	7.8075	Nig. naira*	5.2995	Span. peseta	109.90
Brazil cruz.	13.679	Indian rupee	16.978	Norw. krone	6.50	Swed. kroon	6.122
Canadian $	1.1565	Indo. rupiah	1790.00	Phil. peso	22.09	Taiwan $	25.87
Chilean peso*	4.72	Irish £	0.6349	Port. escudo	147.90	Thai baht	25.60
Danish krone	6.5405	Israeli shek.	1.98	Saudi riyal	3.748	Turkish lira	2289.00
Egypt. pound	2.5332	Kuwaiti dinar	0.2896	Sing. $	1.89	UAE dirham	3.67
		Malay. ring.	2.699	S. Kor. won	687.60	Venez. bolív.	44.05

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6585	1.6421	1.6326	Canadian dollar	1.1604	1.1674	1.1705
Japanese yen	145.59	145.43	145.25	Swiss franc	1.4976	1.4961	1.4939
Deutsche mark	1.6786	1.6787	1.6790				

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits

Jan. 15

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	8⅛-8¼	7 ¹⁵⁄₁₆-7 ⅞	9⅝-9¾	14⅝-15 ⅛	10 ⅜-11 ⅛	6⅝-6¾	10 ⅜-10 ⅝	8 ⅛
2 months	8⅛-8¼	8-8⅛	9 ⅝-9 ¾	14⅝-15 ⅛	11⅛-11¼	6 ⅜-6 ⅝	11-11⅛	8 ⅛
3 months	8⅛-8¼	8⅛-8¼	9 ⅝-9 ¾	15 ⅛-15 ⅜	11 ⅜-11 ⅝	6 ⅜-7 ⅛	11⅛-11¼	9
6 months	8⅛-8¼	8⅛-8¼	9 ⅝-9 ⅞	15-15⅛	11¼-11⅜	7-7⅛	11¼-11⅜	9 ⅛
1 year	8 ⅛-8 ⅜	8 ⅛-8 ⅜	9 ⅛-9 ⅜	14⅝-14⅞	11¼-11⅜	7-7⅛	11¼-11⅜	9 ⅛

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

Jan. 15

United States	Close	Prev.
Discount rate	7.00	7.00
Prime rate	10.00	10.00
Federal funds	Clsd.	8.00
3pm paper 90-179 days	—	7½
1-month Treasury bills	—	7.48
3-month Treasury bills	—	7.40
1-year Treasury bills	—	7.21
30-year Treasury bond	—	99 13/32
3-month CD's	—	7.70
6-month CD's	—	7.70
Japan		
Discount rate	4¼	4¼
Call money	Clsd.	6 15/32
3-month interbank	—	6¾
6-month interbank	—	6 27/32
West Germany		
Discount rate	6.00	6.00
Lombard rate	8.00	8.00
Call money	7.70	7.70
3-month interbank	8.15	8.15
6-month interbank	8¼	8.30
9-month interbank	8.45	8.45
Britain		
Base lend rate	15.00	15.00
Call money	15.00	15.00
3-month interbank	15 5/16	15 3/16
6-month interbank	15 5/16	15⅛
France		
Intervention rate	10.00	10.00
Call money	10⅛	10 3/16
3-month interbank	10 15/16	10⅝
6-month interbank	11⅛	11⅛
9-month interbank	11⅛	11⅛

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits

Jan. 15

1 month	8⅛ - 8¼
2 months	8⅛ - 8¼
3 months	8⅛ - 8¼
6 months	8⅛ - 8¼
1 year	8 ⅛ - 8 ⅜

Source: Reuters.

U.S. Money Market Funds

Jan. 12

Merrill Lynch Ready Assets
30-day average yield: 7.88
Telerate Interest Rate Index: 7.967
Source: Merrill Lynch, Telerate.

GOLD

Jan. 15

	A.M.	P.M.	Ch'ge
Hong Kong	N.A.	413.95	— 0.40
Luxembourg	415.10	—	+ 0.30
Paris (12.5 kilo)	416.52	415.90	+ 0.60
Zurich	414.15	416.15	+ 0.90
London	415.30	415.60	— 0.65
New York	—	413.90	+ 0.25

Luxembourg, Paris and London official fixings: Hong Kong and Zurich opening and closing prices: New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

THE OPTIMUM FUND S.A.

The Optimum Fund S.A. is an "Open-end" mutual-fund, established 12/23/88, for investments and trading in listed U.S. securities of selected U.S. companies.

The Fund is specially tailored for non-Americans who are distant from the markets, yet are already invested or interested in U.S. securities, with the "DOLLAR-AVERAGE" option.

The Fund is managed by The Optimum Management Company S.A. WHICH UNIQUELY TARGETS GROWTH COMPANIES THROUGH DISCRIMINATELY QUALITATIVE CRITERIA, COMBINED WITH SOPHISTICATED TIMING DISCIPLINE.

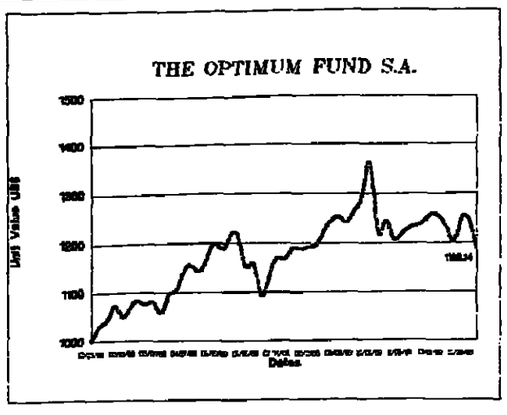
The Optimum Management has retained Sagam Management Corp. in New-York, to carry out its investment policy, to monitor the investments and to provide the Fund's status reports. Sagam's management has been active in the Stock-Market since 1984. A leading New York bank is the broker and the custodian for the Fund.

The shares of the Fund are redeemable, nontransferable, nonvoting shares of an issue price of US$1,000 each. THE SHARES OF THE FUND ARE QUOTED DAILY IN THE INTERNATIONAL HERALD TRIBUNE. Since Inception, on December 23, 1988, the price of the initial $1,000 share, has increased by 18.91% to $1,189.14 as of Jan. 12, 1990, as seen in the following graph.

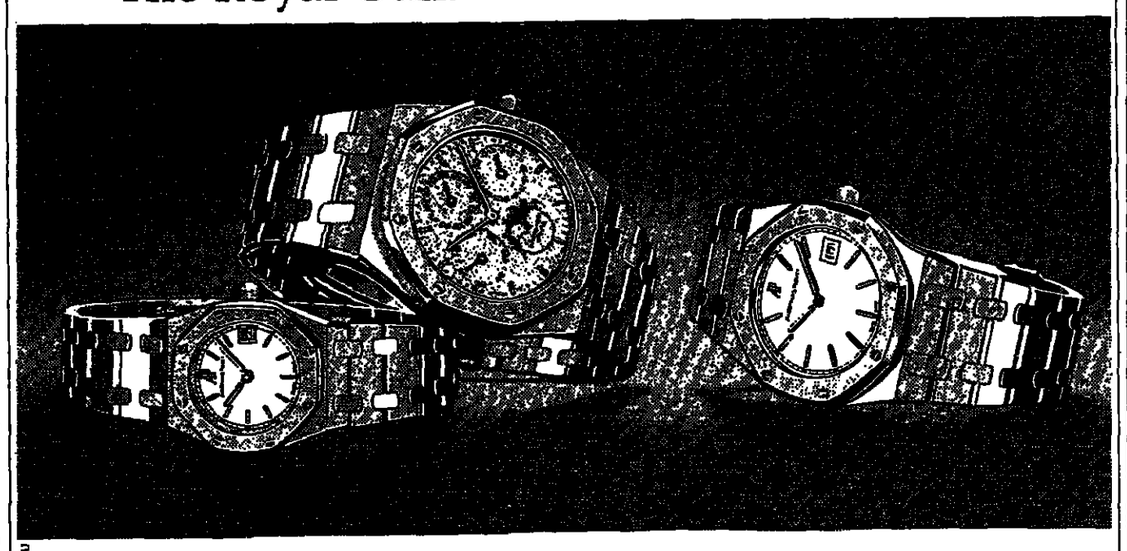
For complete information please write to:
The Optimum Management Company S.A.
c/o
SAGAM MANAGEMENT CORP.
342 Madison Ave. suite 1708
New York, N.Y. 10173
Tel: (212) 972-3377
Fax: (212) 972-0023

NOW MIGHT BE THE RIGHT TIME TO GRADUALLY ENTER THE U.S. STOCK-MARKETS, through our unique approach!

This notice is not an offer to purchase or sell securities or commodities, or render investment advice. It appears as a matter of record only, and is void where restricted or prohibited by law. The Management and the Fund will not act on behalf of or offer or sell shares to Persons and U.S. citizens or residents.



The Royal Oak.



One of the greatest designs of the 20th century.

Audemars Piguet

Audemars Piguet & Cie S.A., 1348 Le Brassus, Switzerland

NYSE

Monday's 3 p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chg'e
		A								
37½	24⅝	AAR	.48	1.4	20	44	33½	33¼	33½	— ¼
9¾	8½	ACM n	1.01	10.6	—	308	9½	9¼	9½	+ ¼
11½	10½	ACMIn	1.26	11.2	—	237	11⅛	11¼	11¼	— ⅛
9⅝	8	ACM M n	1.01	11.4	—	302	9	8⅞	8⅞	— ⅛
11½	10	ACM Sc	1.26	11.1	—	858	11⅜	11¼	11⅜	+ ⅛
9⅝	8⅞	ACMSp	1.01	10.9	—	426	9¼	9⅛	9¼	—
19⅜	11½	AL Lab	.16	.9	19	36	18⅝	18⅜	18⅝	+ ½
4½	3¼	AMCA	.12e	3.4	9	1	3½	3½	3½	— ⅛
6⅝	3½	AM Intl	—	—	8	114	4	3⅞	3⅞	—
23½	16⅝	AM In pf	2.00	10.7	—	42	18⅞	18¾	18¾	— ⅛
107⅛	52⅝	AMR	—	—	6	4992	55⅝	54½	55	+ ½

(Continued on Page 13)

TO OUR READERS IN HOLLAND

The International Herald Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday. If you have problems getting your copy, please contact: Edipress International B.V. Wilhelminastraat 13rd 2011 VH Haarlem P.O. Box 363 2000 AJ Haarlem Tel.: (023) 32 23 41/Tx: 41833

NASDAQ

Monday's Prices

NASDAQ prices as of 3 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
A										
[illegible]										
B-C										
[illegible]										
D-E-F										
[illegible]										
G-H-I										
[illegible]										
J-K-L										
[illegible]										
M-N										
[illegible]										
O-P-Q										
[illegible]										
R-S										
[illegible]										
T-U-V										
[illegible]										
W-X-Y-Z										
[illegible]										

— ADVERTISEMENT —

INTERNATIONAL FUNDS

January 15th, 1990

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (t) - twice weekly; (m) - monthly

ABN BANK I.D.M. P.O. Box 449, Amsterdam
(w) ABN-Aandelenfonds FL 78.25
(w) ABN-Beleggingsfds Ned. FL 58.85
(w) Aldollar $ 72.00
(w) Alrenta FL 157.50
(w) America-Fund (LE) $ 168.22
(w) Asian Tigers Fund $ 55.99
(w) Trans Europe Fund FL 82.73
(w) Trans Europe Fund $ 43.63
AIG FUND MANAGEMENT LTD.
(d) AIG Amer. Eq. Trust $ 24.81
AL-MAL BANK LIMITED.
(w) Investment Units $ 106.77
(w) Currency Units $ 108.32
ALPHA ASSET MANAGEMENT LTD.
(m) Alpha Global Fund $ 630.35
(m) Alpha Arbitrage Fund $ 252.93
(m) Alpha Hedge Fund $ 337.60
(w) Nicholas-Applegate Aurelia. $ 147.56
BANK JULIUS BAER & CO. Ltd.
(d) Baerbond SF 928.00
(d) Conbar SF 1872.00
(d) Equibaer America $ 1798.00
(d) Equibaer Europe SF 1711.00
(d) Equibaer Pacific SF 1609.00
(d) Stockbar SF 2257.00
(d) SFR-BAER SF 957.00
(d) Swissbar SF 2483.00
BA GATEWAY FUND
(b) Belgium Fixed Income BFr 9,703
(b) Germany Fixed Income DM 99.56
(b) Netherlands Fixed Income FL 99.74
(b) US Dollar Fixed Income US$ 100.38
(b) Japan Equity US$ 96.27
(b) Pacific Equity US$ 101.61
(b) Intl Portfolio 'A' US$ 103.10
(b) Intl Portfolio 'B' ECU 99.67
BAII MULTICURRENCY
(r) Multicurrency US$ $ 1,356.77
(r) Multicurrency Ecu ECU 1,173.81
(r) Multicurrency Yen Y 274,647.00
(r) Multicurrency FFR FF 11,431.70
BNP INTERFUNDS
(w) France Capital FF 11,314.27
(w) Interbond Fund $ 201.85
(w) Interbelgian Cap Sicav FB 59,087.00
(w) Intercash DM N.C.
(w) Intercash ECU 1,328.65
(w) Intercash $ N.C.
(w) Intercash FF 13,831.59
(w) Intercash France Sec. FF 11,852.59
(w) Intercash France Cap. FF 11,259.72
(w) Intercurrency US$ $ 11.2146
(w) Intercurrency DM DM 31.5207
(w) Intercurrency Sterling £ 11.3257
(w) Intercurrency Managed $ 11.0352
(w) Inter Optimum F.B BF 69,254.00
(w) Interequity French Offer $ 16.83
(w) Interequity Pacific Offer $ 22.46
(w) Interequity N. Amer. Offer $ 11.72
(w) Interequity European Class $ 11.40
(w) Interequity Australia Cls $ 10.62
BANQUE BELGE ASSET MGMT FUND
Share Distributor Guernsey 0481 26614
(w) Int'l Equity Fund (Sicav) $ 12.75
(w) Int'l Bond Fund (Sicav) $ 10.98
BANQUE INDOSUEZ
(w) Asian Growth Fund $ 36.40
(w) Asian Income Fund $ 9.42
(m) Dual Futures Fd. Class A Units $ 101.40
(m) Dual Futures Fd. Class B Units $ 101.14
(w) Diverbond SF 78.65
(w) FIF Internat.Switzerland SF 100.79
(w) FIF-Internat. Div.A $ 20.51
(w) FIF-Internat. Div.B $ 21.33
(w) FIF Internat.America $ 16.28
(w) FIF Internat.Pacific $ 51.59
(w) FIF Internat.Europe $ 32.38
(w) FIF Internat.Japan Y 1,394.00
(w) FIF Int. Nat. Res. A $ 12.53
(w) FIF Int. Nat. Res. B $ 12.53
(w) France International FF 101.46
(w) France Blue chips No 1 FF 133,230.91
(m) Galaxy Futures Fd Ltd $ 102.50
(w) Gestion Selective FF 4,598.21
(w) Indosuez Multibonds Div.A $ 130.57
(w) Indosuez Multibonds Div.B $ 290.69
(w) Indosuez Multibonds US$ $ 107.44
(w) Indosuez Multibonds YEN Y 10,055.00
(w) Indosuez Multibonds DM DM 104.71
(w) IPNA-3 $ 1128.00
(w) Malacca Fund $ 15.45
(w) Manila Fund $ 9.43
(w) The Siam Fund $ 27.18
(w) Pacific Gold Fund $ 13.68
BANQUE PRIVEE E. DE ROTHSCHILD
(w) Daiwa Capital E. Fund $ 1090.13
(w) Daiwa LCF Rothschild $ 1061.81
(w) Ecu D'Or ECU 94.70
(w) Hispano Int'l Fund ECU 10.48
(b) Pri-Tech $ 1225.92
(b) Source Sicav $ 11.99
BANQUE E. DE ROTHSCHILD LUX. SA
(b) Cursitor BP Fixed Inc.Fund DM112.42
(b) Cursitor BP General Fund DM135.48
(b) Eagle Fund LF 9810.00
(b) Europe Japan Fund $ 10.64
(b) Governm. Sec. Fund* $ 75.83
(w) Leicom $ 2849.33
(b) Opportunities Fund $ 1073.13
(b) Prifirst $ 577.26
(b) Prirop fund DM 52.51
(w) Rente Plus BF 5421.00
(r) Select. Horizon Dev. FF 54406.33
(r) Select. Horizon FF FF 58042.49
(b) Star Conv.Fund FL FL 9737.00
(b) Star Conv.Fund USD $ 102.61
BANQUE SCANDINAVE EN SUISSE-GENEVA
(w) BSS Bond Fund SF 82.28
(w) BSS Intelsec. SF 1819.51
(w) BSS Int'l Bond $ 1.26
(w) BSS Int'l Equity $ 2.25
B.F.A.C.M.
(w) Ecu Multiplacement ECU 1182.55
BROADGATE INTERNATIONAL FUND
(d) $ Money Market $ 12.94
(d) Non-$ Money Market DM 31.13
(d) $ Bond $ 13.51
(d) Non-$ Bond DM 30.27

(d) Global Equity $ 18.14
(d) Global Bond $ 13.96
(d) Global Bond & Equity $ 15.36
(d) Prec. Meta/Min. Secs $ 7.78
B.W MANAGED ASSETS CY, SICAV
(l) Global Bond Fund ECU 10.50
(l) European Securities Fund ECU 13.81
(l) French Securities Fund FF 124.68
(l) North American Secu.Fund $ 12.21
(l) Pacific Basin Secu. Fund $ 10.05
CAISSE CENTRALE DES BANQUES POP.
(d) Fructilux-Obl.FSES FF 5,764.45
(d) Fructilux-Obl.Euro ECU 1,073.40
(w) Fructilux-Act.Fses FF 8,199.49
(w) Fructilux-Act.Euro ECU 1,314.00
(w) Fructilux-Tresorier FF 5,910.73
CALLANDER
(w) Callander Emer. Gr. $ 117.72
(w) Callander F-Asset $ 106.12
(w) Callander F-Austria AS 1,480.84
(w) Callander F-Spanish Ptas 9,838
CAPITAL INTERNATIONAL
(w) Capital Int'l Fund $ 98.35
(w) Capital Italia SA $ 40.60
CCF - GAMMA
(w) CM Inv.Ser.Fds-Actibonds $ 36.82
(w) CM Inv.Ser.Fds-Glbl.Grth $ 11.82
(w) CM North Amer Grth $ 9.09
(w) Elysees Court Terme FF 59,135.15
(w) Elysees Long Terme FF 54,166.64
(w) Elysees Monetaire FF 61,481.35
(w) Elysees Multibonds Fd £ 514.86
(w) Elysees Multibonds Fd FL 999.67
(w) EMF D-Mark (A&B) DM 995.48
(w) EMF Ecu (A & B) ECU 1,025.83
(w) EMF US Dollar (A & B) $ 1,186.27
(w) EMF Yen (A & B) YEN 99,534.00
(d) Europe Prestige Fund A ECU 11.57
(d) Europe Prestige Fund B ECU 12.17
(w) European Smlr Cos. Fd.A ecu 14.26
(w) European Smlr Comp.Fd.B ecu 14.28
CDC INTERNATIONAL
(w) CFI Court Terme FF 120,368.50
(w) CFI Long Terme FF1110,534.78
CIC GROUP
(d) Oblicic Monetaire FF 11779.17
(d) Oblicic Court Terme FF 11895.11
CITICORP INVESTMENT BANK (Lux.)
POB 1373 Luxembourg Tel. 477.95.71
(d) Citicurrencies USD $ 1341.55
(d) Citicurrencies Managed $ 109.80
(d) Citinvest Ecu Income ECU 1337.11
(d) Citinvest Manag. Growth $ 1240.73
(d) Citi.Manag.Growth Euro ECU 1075.72
(d) Citinvest Selector $ 952.30
(d) Citinvest Guardian $ $ 1090.31
(d) Citinvest Guard. Euro ECU 1069.60
(d) Citiport N.A Equity $ 145.20
(d) Citiport Jap. Equity Yen 12,331.00
(d) Citiport UK Equity £ 124.39
(d) Citiport S.Asian Eq. $ 140.27
(d) Citiport Cont.Euro. Eq. ECU 148.52
(d) Citiport N.A.S Bond $ 114.94
(d) Citiport Euro Bond ECU 103.16
(d) Citiport AS.Pac.Bd. YEN 10,791.00
CITITRUST
(w) US. $ Equities $ 214.97840
(w) US. $ Bonds $ 12.44978
(w) US. $ Money Market $ 12.89545
(w) Citiland $ 1003.03421
(w) Global Equities $ 10.38000
(w) Global Money Market $ 11.94000
(w) Global Bonds $ 11.63000
CODEVALOR SICAV
(w) C.Rendement Fr.Suisse SF 1864.79
(w) C.Rendement US$ $ 1456.55
(w) C.Croissance Dollar $ 1627.27
(w) C.Croissance Fr.Suisse SF 2111.59
COMPASS INTL HOLDINGS Ltd.
POB 455, Jersey 0534 27267
(w) Bond:Dollar Medium Term $ 10.77
(w) Bond:Ecu Multicurrency ecu 10.08
(w) Equity:United Kingdom £ 11.19
CREDIT SUISSE (ISSUE PRICES)
(d) CSF Bonds SF 78.25
(d) Bond Valor Swf SF 94.80
(d) Bond Valor US-DOLLAR $ 121.74
(d) Bond Valor D-mark DM 107.46
(d) Bond Valor Yen Y 10,438.00
(d) Bond Valor £ Sterling £ 91.24
(d) Convert Valor Swf SF 147.65
(d) Convert Valor US-DOLLR $ 178.43
(d) CSF International SF 142.75
(d) Actions Suisses SF 622.25
(d) Europa-Valor SF 240.25
(d) Energie-Valor SF 168.25
(d) Canasec SF 627.00
(d) Ussec SF 761.00
(d) Pacific-Valor SF 207.50
(d) CS Eu. Blue Chips A DM 268.65
(d) CS Eu. Blue Chips B DM 239.14
(d) CS Gold Valor $ 201.76
(d) CS Ecu Bond A ECU 95.35
(d) CS Ecu Bond B ECU 118.04
(d) CS Europa Bond 'A' DM 246.47
(d) CS Europa Bond 'B' DM 246.47
(d) CS Gulden Bond A FL 94.84
(d) CS Gulden Bond B FL 111.26
(d) CS Prime Bond 'A' DM 94.17
(d) CS Prime Bond 'B' DM 99.53
(d) CS Short-T. Bd DM A DM 95.28
(d) CS Short-T. Bd DM B DM 112.98
(d) CS Short-T. Bd $ A $ 97.46
(d) CS Short-T. Bd $ B $ 118.81
(d) CS Money Market Fund $ 1464.86
(d) CS Money Market Fund DM 1241.35
(d) CS Money Market Fund £ 1573.05
(d) CS Money Market Fd Yen Y 117,909.00
(d) CS Tiger Fund $ 548.91
DIT INVESTMENT FFM
+(d) Concentra DM 52.83
+(d) Int'l Rentenfond DM 76.52
DREXEL BURNHAM LAMBERT INC
Winchester House, 77 London Wall
LONDON EC2 (01 9209797)
(w) Finsbury Group Ltd $ 139.08
(w) Winchester Capital $ 106.21
(w) Winchester Holdings FF 147.62
(w) Winchester Holdings $ 15.36
(w) Winc.Reserv.MultiGvBd. ECU 11.51

(w) Worldwide Securities $ 37.52
(w) Worldwide Special $ 896.06
(m) Winch Fut.Diversified $ 15.10
(m) Winch Fut.Orion Series $ 15.68
(m) Winchester Frontier $ 200.98
(m) Winchester Recovery Ltd $ 74.73
EBC TRUST CO.(JERSEY) LTD.
1-3 Sele St.,St. Helier:0534-36331
EBC AMRO TRADED CURRENCY FUND.
@(d) Inc.: Bid $ 14.26 Offer $ 14.708
@(d) Cap.: Bid $ 21.36 Offer $ 22.021
INTERNATIONAL INCOME FUND
(d) Short Term 'A' (Accum) $ 1.2457
(d) Short Term 'A' (Distr) $ 0.8093
(d) Short Term 'B' (Accum) $ 1.5162
(d) Short Term 'B' (Distr) $ 1.0806
(w) Long Term $ 32.6336*
ELDERS EUROPE - Guernsey - (0481) 26268
(m) Elders Europe Futures Fund $ 9,735.84
ELDERS SECURITIES INC.
W. Rotter, (212) 573-0449
(d) EFF $ 326.88
(d) ESI $ 109.93
(d) ESP $ 162.21
(d) EMR $ 104.86
ELDERS SWITZ.(038) 25 17 25
(w) Elders Int Bid SF 104.80Offer SF 110.25
(w) Elders Aus Bid A$ 90.80Offer a$ 95.50
EQUIFLEX LIMITED
(w) Europe A FL 11.73*
(w) North America A FL 9.71
(w) UK Equities £ 11.11*
(w) UK Small Co. £ 9.43*
EURO PACIFIC ADVISERS Ltd.
(w) Meteore Y 145,786.00
(w) Pacific Horizon Invt. Fd $ 2287.64
FOREIGN & COLONIAL MGT. LTD.
1, Laurence Pounty Hill, EC4. 01-623-4680
(w) Amer. Smaller Cos.Eqty. Ptfl. $ 11.23
(w) Oriental Equity Ptfl. $ 12.36
(w) European Equity Ptfl. $ 14.83
(w) Nordic Equity Ptfl. $ 14.73
(w) Amer. Mai. Equity Ptfl. $ 9.75
(d) Western Pac. Equity Ptfl. $ 11.17
(d) Mediterranean Equity Ptfl. $ 9.79
(d) British Equity Portfolio $ 10.38
(d) U.S.$ St. Term Asset Ptfl. $ 9.60
(d) Sterling St. Term Asset Ptfl. £ 10.21
(d) North American Bond Ptfl. $ 10.17
(d) Multi-Currency Bond Ptfl. $ 10.63
(d) Sterling Bond Portfolio £ 9.86
(d) ECU Bond Portfolio ECU 10.00
FIDELITY INT'L INV. MGMT (LUX.) S.A.
(d) New Europe Fund $ 11.87
(d) Fidelity Conv. Sec. Portf. $ 10.26
FIDELITY POB 670, Hamilton Bermuda
(m) Fid.Amer.Val.II Com. $ 97.02
(m) Fid.Amr.Val.II Cum.Pref $ 101.50
(m) Fid.Amer.Val.III Com. $ 68.45
(m) Fid.Amr.Val.III Cum.Pref $ 100.54
(d) Fidelity Amer. Assets $ 134.93
(d) Fidelity Australia Fund $ 18.13
(d) Fidelity Dir. Svgs.Tr. $ 170.24
(d) Fidelity Pacific Fund $ 393.35
FIDELITY INT'L SERVICE (LUX.)
(d) Balanced Portfolio-hedged $ 10.57
(d) Balanced Portfolio-unhedg $ 11.30
(d) Fidelity Discovery Fund $ 16.32
(d) Fidelity Far East Fund $ 76.01
(d) Fidelity Frontier Fund $ 24.21
(d) Fidelity Global Ind. Fd $ 14.72
(d) Fidelity Global Selct Fd $ 15.02
(d) Fidelity Int'l. Fund $ 15.60
(d) Fidelity Orient Fund $ 111.97
(d) Fidelity Sect. Growth Fd. $ 41.13
(d) Fidelity World Fund $ 68.80
FIDELITY INT'L (CI) LTD.
FIDELITY PERFORM PORTFOLIOS LTD.
(d) American Portfolio $ 1.05
(d) European Portfolio $ 1.95
(d) Japan Portfolio $ 1.53
(d) South East Asian Portfolio $ 1.14
(d) U.K. Portfolio £ 1.15
(d) Intl. Bond Portfolio $ 0.95*
(d) Sterling Liquidity Ptfl. £ 10.18*
(d) Dollar Liquidity Portfolio $ 10.10*
FINAFUTURES (BVI) Ltd
(w) Portfolio (est.) $ 0.93
FOKUS BANK A.S. 472 428 555
(w) Scanfonds Int'l growth fd $ 1.62
GAIA CURRENCY HEDGE FUNDS
(w) Gaia Hedge I $ $ 97.54 Red $ 96.91
(w) Gaia Hedge II $ $ 141.07 Red $ 137.13
GAM ANLAGEFONDS AG.
POB 164, 8034 Zurich Tel.41-1-2516640
(w) GAM (CH) America SF 1207.00
(w) GAM (CH) Mondial SF 1484.00
(w) GAM (CH) Pacific SF 1822.00
GARTMORE FUND MANAGERS INT.
45,La Motte Street, JERSEY 0534 27301
CAPITAL STRATEGY FD. LTD.
(d) Sterling Deposit £ 1.019
(d) US$ Deposit $ 1.072
(d) DM Deposit DM 5.259
(d) Yen Deposit Y 518.000
(d) Sw. Fr. Deposit SF 5.255
(d) Austr.Dollar Dep. fd A$ 1.149
(d) French Franc Deposit fd FF 10.73
(d) N. American $ 1.78
(d) Japan Y 784.00
(d) Pacific Basin Y 336.00
(d) International growth $ 2.12
(d) British £ 2.45
(d) Sterling Bond £ 1.03
(d) International Bond $ 1.23
(d) Yen Convertible bond Y 3124.00
(d) European Fund DM 6.06
(d) E.C.U. Bond Fund ECU 0.99
(d) Australasian fund £ 0.38
(d) Canadian fund Can$ 0.97
(d) Emerging Markets Fund £ 1.45
(d) Global Resources Fund $ 0.87
GEFINOR FUNDS
London:01-4994171, Geneva:41-22355530
(w) East Investment Fund $ 1094.17

(w) Scottish World Fund £ 218.5748
(w) State St. American $ 317.60
GENERALE BANK
(see also Interselex Group)
(d) Rentinvest $ 24.87
(d) Capital Rentinvest $ 126.71
(d) Rentinbel Distr. LF 9,201.00
(d) Rentinbel Cap. LF 10,538.00
GLOBAL ASSET MANAGEMENT CORP.
11 Athol St,Douglas,I. of Man,44-624-26037
(w) GAM Arbitrage Inc $ 232.68
(w) GAMerica Inc $ 250.60*
(w) GAM Australia Inc. $ 157.87*
(w) GAM Asean Inc $ 176.47*
(w) GAM Bond Fund Inc U.S Ord. $ 108.04*
(w) GAM Bond Fund Inc U.S Spe. $ 126.51*
(w) GAM Boston Inc $ 207.88
(w) GAM Ermitage $ 30.26
(w) GAM Europe Fund $ 101.43
(w) GAM European Inc. $ 122.31
(w) GAM Franc-Val Inc. SF 255.63
(w) GAM France Inc FF 1548.63
(w) GAM Global Fund $ 132.35
(w) GAM High Yield Inc. $ 93.04*
(w) GAM Hong Kong Inc. $ 195.01*
(w) GAM International Inc. $ 172.58
(w) GAM Japan Inc. $ 529.21
(w) GAM Money Mkts. Fund $ 100.00*
(w) GAM Money Mkts. Fund £ 100.42
(w) GAM Money Mkts. Fund SF 100.42*
(w) GAM Money Mkts. Fund DM 100.37*
(w) GAM Money Mkts. Fund Y 10,032.00*
(w) GAM Mlti-Mg Fd Inc Gen Eq $ 100.86
(w) GAM Mlti-Mg Fd Inc Alloc. $ 100.50
(w) GAM North America Fund $ 100.00
(w) GAM Pacific Basin Fund $ 143.20
(w) GAM Pacific Inc $ 549.64*
(w) GAM Restr. Fd. Inc. $ 160.41*
(w) GAM Singapore/Malay Inc $ 275.76
(w) GAM Swiss Fr Spec Bond Fd SF 97.81*
(w) GAM Value Inc. $ 105.66
(w) GAM Worldwide Inc $ 481.74*
(w) GAM Tyche S.A. Class A $ 180.06
(w) GAM U.S. Inc. $ 161.26
(w) GAM Whitehorn Fund Inc. $ 143.20
(w) GAM ut Inc. $ 303.78
(w) GSAM Composite Inc. $ 233.92
(w) GAM Bond Fund Inc. SF 85.97*
(w) GAM Bond Fund Inc. £ 98.57*
(w) GAM Bond Fund Inc. DM 90.17*
(w) GAM Bond Fund Inc. Y 11,413.00*
G.T. MANAGEMENT PLC
(d) G.T. ASEAN Fund $ 56.85
(d) G.T. Asia Fund $ 15.27
(d) G.T. Australia Fund $ 31.01
(d) G.T. Berry Japan Fund $ 44.23
(w) G.T.Biotechn./Health Fund $ 10.67
(d) G.T. Bond Fund $ 16.56*
(d) G.T. Britain Fund £ 7.95
(d) G.T. Deutschland Fund $ 14.34
(d) G.T. Dollar Fund $ 20.37
(d) G.T. Europe Fund $ 35.13
(w) G.T. Euro. Small Cos. Fund $ 34.57
(w) G.T.Global Small Cos.Fund $ 16.00
(d) G.T.Global Techno. Fd $ 17.08
(d) G.T. Hong Kong Fund $ 25.05*
(d) G.T. Honshu Pathfinder $ 13.28
(d) G.T. Investment Fund $ 12.50
(d) G.T. Japan OTC Stocks Fund $ 10.25
(w) G.T. Japan Sml Co.Fd $ 16.09
(w) G.T. Korea Fund $ 8.66
(w) G.T. Nat Res. Fd Gold Class $ 7.82
(d) G.T. Newly Ind. Countr. Fd $ 34.21
(d) G.T. Select Dollar Bd Pfl $ 9.17
(d) G.T. Select Int Bd Pfl. £ 9.37
(d) G.T. Select Gilt Pfl. £ 8.16
(r) G.T. Technology Fund $ 34.83
(d) G.T. U.K. Small Companies $ 8.90
(d) G.T. Univ.Growth Fund $ 10.57
(w) G.T. U.S. Small Companies $ 12.95
HILL SAMUEL GLOBAL PORTFOLIO
1A rue Pierre d'Aspelt Luxembourg 1142
(d) H. S. Glbl Ptfl UK Equity £ 9.41
(d) H. S. Glbl Ptfl UK Sm.Co.Eq. £ 9.40
(d) H. S. Glbl Ptfl N.Amer. Eq. $ 9.39
(d) H. S. Glbl Ptfl US Sm.Co.Eq. $ 9.36
(d) H. S. Glbl Ptfl Pac.Bas.Eq. $ 9.35
(d) H. S. Glbl Ptfl Jap. Eq. Y 939.00
(d) H. S. Glbl Ptfl Euro Eq. DM 9.85
(d) H. S. Glbl Ptfl St.Flx.Int. £ 9.40
(d) H. S. Glbl Ptfl Eu.Flx.Int. DM 9.30
(d) H. S. Glbl Ptfl Glbl. Eq. $ 9.44
(d) H. S. Glbl Ptfl Glbl. Bond $ 9.39
(d) H. S. Glbl Ptfl Glbl. Mod. $ 9.40
HILL SAMUEL INVEST. MGMT. INTL. S.A.
Jersey, P.O. Box 63, Tel 0534 76029
Berne, P.O. Box 2622, Tel 4131 224051
(d) Crossbow (Far East) SF 17.89
(d) CSF (Balanced) SF 38.12
(d) European Equity Fund DM 19.20
(d) Intnl. Bond Fund $ 13.01
(d) Int. Currency U.S.Manag'd $ 27.32
(d) ITF Fd (Technology) $ 28.07
(d) O'Seas Fd (N. AMERICA) $ 38.63
(d) Int. Currency U.S. $ 24.99
IAM, 2 Bd. Royal LUXEMBOURG
(d) Iam Flagship Fund ECU 92.43
(w) Iam Bonds Fund-France FF 573.14
(w) Iam Bonds Fund-Deutschl DM 216.46
(w) Iam Bonds Fund-Japan Y 10,826.00
(w) Iam Bonds Fund-Switz. FS 208.30
(w) Iam Bonds Fund-U.S.A $ 112.13
(w) Iam Bonds Fund-Europe ECU 113.86
(w) Iam Bonds Fund-Netherl FL 205.81
(w) Iam Europe global ECU 105.52
(w) Iam Europe luxe ECU 103.47
(w) Iam Europe 90/10 ECU 102.25
(w) Iam Europe 1992 ECU 111.53
(w) Iam Europe du Sud ECU 108.05
INTERSELEX GROUP
(d) Int.America Fund $ 17.05
(d) Int.Belgo Fund LF 3321.00
(d) Int.Europa Sicav LF 6769.00
(d) Int.Pacific Fund $ 1342.89
(d) Int.World Fund $ 104.74

ISLAMIC MGMT FUND LTD $ 1159.99*
CSFB Fund Mgmt Ltd (0481-713996)
PB122 St. Peter Port,Guernsey
JARDINE FLEMING, GPO Box 11448 Hg Kg
(d) J.F Japan Trust Y 21,382.00
(d) J.F Pacific Sec. Trust $ 30.31
(d) J.F Pacific Income Trust $ 95.95
(d) J.F Hong Kong Trust $ 63.52
(d) J.F European $ 12.67
(d) J.F International $ 14.96
(d) J.F Glb Convertibles Trust $ 13.25
KIDDER,PEABODY & Co.Incorporated.
(b) Chesapeake Fund Ltd. $ 1131.75
(b) Galactica Fund Ltd. $ 977.15
(b) Stonehenge Ltd. $ 1043.34
LLOYDS BANK PLC, POB 438, Geneva 11
Mrs. C. Bertolotti,(22) 208611/ext. 2222.
+(w) Lloyds Int'l Dollar $ 108.30
+(w) Lloyds Int'l Europe SF 198.60
+(w) Lloyds Int'l Growth SF 236.90
+(w) Lloyds Int'l Income SF 267.00
+(w) Lloyds Int'l N. America $ 148.60
+(w) Lloyds Int'l Pacific SF 245.60
+(w) Lloyds Int'l. Smaller Cos $ 18.30
MAN INTERNATIONAL FUTURES
(m) Alubat Mint Gtd.Fund.Ltd. $ 98.51
(m) Mint Limited - Ordinary $ 40.96
(m) Mint Limited - Income $ 14.69
(m) Mint Gtd Ltd - Spec Issue $ 28.03
(m) Mint Gtd Ltd - Series A $ 21.44
(m) Mint Gtd Ltd - Nov 1993 $ 19.35
(m) Mint Gtd Ltd - Jan 1994 $ 15.53
(m) Mint Gtd Ltd - Dec 1994 $ 13.67
(m) Mint Gtd Ltd - Aug 1995 $ 11.10
(m) Fbme Mint Gtd Plc $ 117.11
(m) Mint Sp Res Ltd (BNP) $ 104.78
(m) Newcastle Guaranteed Ltd $ 11.31
MAGNUM FUTURES FUND LTD.
(m) Sterling Class £ 4.81
(m) U.S Dollar Class $ 9.48
MERRILL LYNCH
(d) Dollar Assets Portfolio $ 1.00
(d) First Convertible Sec. Fd $ 11.86
(d) Global equity Portfolio $ 11.18
(d) Iberia portfolio $ 11.66
(d) Multi-Curr. Bond Portfolio $ 14.56
(d) U.S.A Income Portfolio $ 9.46
(d) US Federal Securities $ 9.75
(d) World Nat Res Pfl. Share A $ 11.93
(d) World Nat Res Pfl. Share B $ 11.82
GLOBAL CURRENCY PORTFOLIOS
(d) Australian Dollar Pfl. $ 11.33
(d) Deutschmark Portfolio DM 10.08
(d) Pound Sterling Portfolion £ 10.53
(d) US Dollar Portfolion $ 10.93
(d) Yen Portfolio Y 996.00
MIM BRITANNIA,POB 271, St. Helier, Jersey
(d) Int.High Income $ 2.451*
(d) Dollar Man.Curr $ 14.310*
(d) Dollar Man. Port $ 2.342
(d) Gtd. N.W. 1994 $ 10.00
(d) Sterling Man.Port £ 1.937
(d) Pioneer Markets £ 3.262
(d) U.K. Growth £ 1.112*
(d) Amer. Inc. & Growth $ 1.346*
(d) Gold & Prec. Metals $ 1.222
(d) Sterling Man. Curr. £ 17.720
(d) Japan Dollar Perf. Fd $ 4.498
(d) Jersey Gilt £ 0.1782
(d) Okasan Global Strat $ 18.69
(d) Asia Super Growth Fund $ 14.46
NIMARBEN
(w) Class A $ 163.14
NMB BANK,PO 1800,1000 BV Amsterdam.
(w) The Brazil Fund $ 2.77
(w) NMB Dutch Fund FL 40.20
NOMURA INVEST BANKING (M.E) E.C.
(d) Nomura Gulf Fund $ 11.05
NOMURA INTL. (HONG KONG) LTD.
(d) Nomura Jakarta Fund $ 10.33
OBLIFLEX LIMITED
(w) Multicurrency $ 21.60
(w) Dollar Medium Term $ 16.92
(w) Dollar Long Term $ 16.84
(w) Japanese Yen $ 25.29
(w) Poud Sterling $ 15.79
(w) Deutsche Mark DM 12.54
(w) Dutch Florin FL 12.71
(w) Dutch Florin Multi. FL 10.20
(w) HY Euro. Currencies ECU 9.91
(w) HY Euro.Curr.Divi.Pay. ECU 9.91
(w) Swiss Franc SF 10.29
(w) Swiss Franc Divi. paying SF 10.20
(w) Swiss Multicurrency SF 12.18
(w) European Currency ECU 13.94
(w) Convertibles $ 11.89
(w) French Franc FF 100.03
(w) Swiss Multi-dividend SF 9.66
PARIBAS-GROUP
(d) Belux Fund LF 11095.00
(d) Cortexa International $ 125.56
(d) Ecupar ECU 1,380.64
(d) Far East Growth Fund $ 157.36
(d) Luxor $ 9.26
(d) Moneyflow LF 10,074.00
(d) Parsurope Growth $ 24.63
(d) Parinter Fund $ 238.73
(d) Par US Treas. Bond 'Cl. B' $ 155.40
(d) Europhenix ECU 197.27
(d) Parinter Bond Fund $ 13.50
(d) Paribas-Rente 'A' LF 1,202.00
(d) Paribas-Rente 'B' LF 1,389.00
(d) Obli-Franc FF 1,256.62
(w) Obli-DM 'A' DM 1,164.33
(w) Obli-DM 'B' DM 1,299.26
(w) Obliestion SF 83.44
(w) Obli-Dollar 'A' $ 1,130.34
(w) Obli-Dollar 'B' $ 1,325.00
(w) Obli-Yen 'A' Y 105,955.00
(w) Obli-Yen 'B' Y 115,614.00
(w) Obli-Gulden 'A' FL 961.30
(w) Obli-Gulden 'B' FL 1,102.26
(w) Parsuisse SF 1,564.97
(w) Parleeon Y 3,872.08

PERMAL GROUP
(m) Drakkar Growth $ 2103.02
(m) EuroMir (ECU) Ltd. ECU 1066.04
(m) Media Ltd. $ 1029.36
(m) Noscal Ltd $ 1336.66
(m) Special Opportunities Ltd $ 1685.30
(m) Updyke Ltd $ 270.19
(m) Value N.V. $ 2074.22
PIERSON,HELDRING & PIERSON N.V.
Rokin 55, 1012kk, Amsterdam (20-5211188)
(w) Asia Pac. Growth Fd N.V. $ 43.59
(w) DP Amer. Growth Fd N.V. $ 27.03
(w) DP Energy Resources. $ 50.31
(w) Europe Growth Fund N.V. FL 60.90
(w) Japan Diversified Fund $ 59.31
(w) Leveraged Cap Hold $ 353.23
(w) Tokyo Pac. Hold. N.V. $ 287.80
PIONEER GROUP
(d) Pioneer Fund $ 22.65
(d) Pioneer II $ 18.34
PUTNAM
(d) Emerging Hlth Sc. Trust $ 17.77
(w) Putnam Em. Info. Sc. Tr $ 13.95
(d) Putnam Glob. High Growth $ 13.16
(d) Putnam High Inc.GNMA Fd $ 9.73
(d) Putnam Int'l Fund $ 12.34
ROBECO GROUP
POB 973, Rotterdam (10-4650711)
(d) Robeco FL 103.90
(d) Rolinco FL 103.00
(d) Rorento FL 58.90
(d) Rodamco FL 78.50
ROTHSCHILD AST.MGT.
(w) Tokyo Pac. Hold. (Sea) $ 210.01
ROYAL B. CANADA,POB 246,GUERNSEY
+(w) RBC British Fund Ltd. £ 5.79
+(w) RBC Canadian Fund Ltd C$ 14.81
+(w) RBC European Fund $ 13.63*
+(w) RBC Far East&Pacific Fd $ 46.26
+(w) RBC Int'l Capital Fd $ 60.67
+(w) RBC Int'l Bond Fund Ltd. $ 12.76
+(d) RBC Man.Currency Fd $ 38.98
+(w) RBC North Amer. Fd $ 15.66
ROYAL TRUST ASSETMIX FUND
Lux.Tel:(352)489061
EQUITY FUNDS
(d) Alpha UK £ 1.32
(d) Alpha US$ $ 1.40
(d) Alpha Worldwide SF 5.46
(d) Alpha Japanese Y 1113.00
(d) Alpha Pacific Rim $ 1.36
(d) Alpha European ECU 1.30
(d) Gold Share $ 1.19
BOND FUNDS
(d) Sterling Pound £ 103.42
(d) US$ Bond US$ 112.01
(d) Deutschmark Bond DM 49.15
(d) Alpha Worldwide SF 52.83
RESERVE FUNDS
(d) Sterling Reserve £ 11.628
(d) US$ Reserve $ 10.917
(d) Deutschmark Reserve DM 10.422
SHEARSON LEHMAN HUTTON
(d) Oporto Growth Fund $ 10.00
SKANDIFOND
SKANDINAVISKA ENSKILDA BANKEN
(w) Equity Intl Acc $ 12.84
(w) Equity Intl Inc $ 12.01
(d) Equity Global $ 1.25
(w) Equity Far East $ 2.04
(w) Equity Gold $ 0.98
(w) Equity Japan Y 147.00
(d) Equity Nordic $ 1.41
(d) Equity U.K. £ 1.20
(d) Equity Continental Europe $ 1.36
(d) Equity Mediterranean $ 1.21
(d) Equity North America $ 1.24
(d) Bond DEM DM 0.94
(w) Bond Intl Acc $ 8.36
(w) Bond Intl Inc $ 6.88
(d) Bond Sweden SEK 9.87
(d) Bond Dollar $ 1.02
(w) High Income Acc $ 1.09
(w) High Income Inc $ 0.97
(w) Multicurrency $ 1.1858
(d) FRF FF 1.0486
SOCIETE GENERALE GROUP
(w) Sogelux Fund (SF)
(w) SF Bonds A U.S.A $ 11.89
(w) SF Bonds B Germany DM 22.08
(w) SF Bonds C France FF 86.04
(w) SF Bonds D Switz. SF 20.00
(w) SF Bonds E G.B. £ 8.34
(w) SF Bonds F Japan Y 1650.00
(w) SF Bonds G Europe ECU 11.85
(w) SF Bonds H World Wide $ 12.07
(w) SF Bonds J Belgium BF 559.00
(w) SF Eq. K North America $ 12.53
(w) SF Eq. L W. Europe ECU 12.77
(w) SF Eq. M Pacific Basin YEN 1756.00
(w) SF Eq. N France FF 70.00
(w) SF Eq P Growth Countries $ 13.14
(w) SF Equities Q Gold Mines $ 12.23
(w) SF Equities R World Wide $ 12.69
(w) SF Short Term S France FF 115.60
(w) SF Short Term T Eur. ECU 11.28
SODITIC ASSET MANAGEMENT INC.
(w) SAM Diversified Inc. $ 106.08
SVENSKA HANDELSBANKEN S.A.
146 bd de la Petrusse,L-2330 Luxembourg
(b) SHB Bond Fund $ 44.36
(w) Svenska Select.Fd Intl Sh. $ 57.51
(w) Svenska Select.Fd America Sh $ 12.50
(w) Svenska Select.Fd Asia Shares $ 10.25
(w) Svenska Select.Fd Germany DM 10.52
(d) Svenska Sel.Fd Intl Bd.Sh $ 10.08
(d) Svenska Sel.Fd Nordic Shs $ 10.74
(d) Svenska Sel.Fd S/T Ass.Sh $ 10.31
SWISS BANK CORP. (ISSUE PRICES)
(d) AmericaValor SF 449.75
(d) AngloValor £ 193.60
(d) Asia Portfolio SF 634.25
(d) Convert Bond Selection SF 98.91
(d) Dollar Bond Selection $ 140.20
(d) D-Mark Bond Selection DM 114.25

(d) Ecu Bond Selection ECU 101.45
(d) Florin Bond Selection FL 117.20
(d) FrancValor FF 1935.63
(d) GermaniaValor DM 553.76
(d) Gold Portfolio $ 552.96
(d) ItalValor Lit 512018.00
(d) Japan Portfolio SF 398.25
(d) SBC US$ MMF $ 5597.89
(d) SBC 100 Index Fund SF 1159.00
(d) SBC Sfr Bond A/B SF 996.42
(d) Sterling Bond Selection £ 108.07
(d) Swiss Foreign Bond Selec SF 102.78
(d) Swissvalor SF 402.00
(d) Universal Bond Select. SF 75.00
(d) UniversalFund SF 124.45
(d) Yen Bond Selection Y 11,862.00
THORNTON MANAGEMENT LTD.
(d) Thornton Int opps.fund $ 2.18
(d) Pacific Invt. Fd. S.A. $ 11.77
(d) Pac.Invt. Fd. SA DM 32.93
(d) Pac.Invt. Wrnts Fd.S.A. DM 18.94
(d) Pac.Invt. Warrants Fd.S.A. £ 6.77
(d) Thornton Kangaroo Fd Ltd. $ 11.65
(d) Thornton European Fund $ 6.71
(d) Thornton HK & China $ 12.06
(d) Thornton Japan Fund Ltd $ 20.37
(d) Thornton Orient.Inc. Fd Ltd $ 24.70
(w) Thornton Phil. Redev. Fd $ 49.78
(d) Thornton Tiger Fund Ltd $ 33.75
(d) Thor.Pacific Tech.Fd Ltd $ 10.94
(d) Thor.Litl. Dragons Fd Ltd $ 24.84
(d) Thor.Golden Opport.Fd $ 7.56
(d) Eastern Crusader Fund. $ 10.22
(w) The Global Access Fund. $ 9.69
T. Rowe Price Associates Inc.
(m) T. Rowe Price Frontier Ltd. $ 10.24
TYNDALL INT'L GUERNSEY LTD
Tel.0481 27963
(d) Amer Spec Sits $ 45.91
(d) Eurobond $ 29.30
(d) Mortgage C$ 13.77
(d) Overseas $ 30.80
(d) Tiger $ 45.14
(d) High Yield Bond £ 63.90
(d) Marunouchi £ 89.90
(d) Far Eastern £ 628.50
(d) Gilt £ 506.40
(d) Mgd Currency-Dollar $ 1.349
(d) Mgd Currency-Stlg £ 107.50
(d) 1992 £ 308.60
(d) Wall Street £ 252.90
(d) HI Inc Gilt & Bulldog £ 95.70
UEBERSEEBANK, ZURICH
(d) B-FUND SF 959.92
(d) M-FUND SF 1105.04
(d) E-FUND SF 595.52
(d) J-FUND SF 452.19
(d) M-Distribution SF 104.67
(d) UBZ Euro-Income Fund SF 10.22
UNION BANK OF SWITZERLAND
(d) Amca American Shrs SF 40.00
(d) Bond-Invest SF 63.00
(d) Brit-Invest Shares SF 776.00
(d) D-Mark-Invest Bds DM 202.20
(d) Dollar-Invest Bds $ 111.18
(d) ESPAC Spanish sh SF 212.50
(d) Eurit SF 364.50
(d) Fonsa Swiss Sh. SF 220.00
(d) Francit Shares SF 238.00
(d) Germac Shares SF 270.50
(d) Globinvest Shares SF 117.50
(d) Gold Invest Shares SF 293.00
(d) Holland-Invest Sh. SF 247.00
(d) Itac Shares SF 228.00
(d) Japan-Invest Sh. SF 1605.00
(d) Sima (stock price) SF 224.00
(d) Skandinavien-Invest SF 294.00
(d) UBS Money Mkt Inv. $ 1016.99
(d) Yen-Invest Bonds. YEN 85945.00
UNION INVESTMENT Frankfurt
(d) Unirenta DM 35.60
(d) Unifonds DM 38.70
(d) Unirak DM 85.05
(d) Unizins DM 107.15
THE UNIVERSAL GROUP OF FUNDS
(d) Univers Sav Amer C$ 9.61
(d) Univers Sav Equity C$ 12.09
(d) Univers Sav Global C$ 5.68
(d) Univers Sav Pacific C$ 9.42
(d) Univers Sav Nat. Res C$ 6.19

Other Funds
(b) Abacus Guart.Fd.Mar.'94' $ 9.23
(r) Acticroissance $ 533.72
(r) Actiffinance Intl $ 1128.92
(w) Actigestion FF 1186.69
(w) Activest Intl $ 23.09
(d) Amvabel FL 80.70
(w) Aquila International Fund $ 279.22
(d) Ariane $ 3,707.04
(d) Asia Oceania Fund $ 10.13
(m) Atlantic Fund $ 88.07
(d) Atlas Fund SF 123.56
(r) Australia Fund $ 16.94
(d) Bera Norden Sicav $ 149.38
(d) Berg Trust Sicav $ 131.83
(w) Bergen Int'l Fund. $ 12.41
(d) Bever Beleggingen++ $ 25.50
(m) Bonar Currency & Int. $ 87.20
(w) Bondselex-Issue Pr. SF 115.60
(m) J Capel guaranteed Fund $ 10.39
(w) CMI Investment Fund $ 1298.00
(d) Cash Gestion FF 9900.59
(d) CB German Index Fund DM 139.95
(m) Cleveland Offshore Fd. $ 30.65
(m) Columbia Securities FL 106.38
(m) Commod. Gtd. Fund/USA $ 4.80
(d) Conqueror Fund Ltd $ 91.51
(w) Convert. Fd. Int'l A Certs $ 19.31
(w) Convert. Fd. Int'l B Certs $ 63.07
(w) Cumber Intl N.V. $ 248.74
(w) Daiwa Japan Fund Y 9237.00
(w) D.G.C $ 204.52
(w) DIVERSIF. BOND FUND $ 93.67
(d) D-mark-Baer Bond Fd DM 1006.00
(d) Dollar-Baer Bond Fd $ 1146.00
(d) D. Witter Wld Wide Ivt Tst. $ 25.63
(d) Dreyfus America Fund $ 17.31
(d) Dreyfus Fund Int'L $ 64.53
(w) Dreyfus Intercontinent $ 11.50

(m) Dumenil Arbitrage Fd NV $ 904.12
(d) Emperor Fund Limited $ 90.40
(w) Esprit Sicav ECU 1298.62
(w) Espirito Sto Inv M Sth Eur Fd $ 11.82
(d) Europe Obligations ECU 74.23
(d) Europe 1992 $ 11.07
(m) Exclusive Advisors Fd Ltd $ 91.49
(m) Fotum Fund $ 1120.09
(w) Fairfield Int'l Ltd. $ 141.65
(w) Fairfield Strat. Ltd. $ 57.10
(w) First Eagle Fund $ 38,541.07
(w) F.I.T. Fund H FF 109.11
(d) Fonditalia $ 85.98
(w) Fanselex Issue Pr. SF 197.90
(d) Forexfund Limited $ 9.31
(w) Formula Selection Fd. SF 79.33
(d) Frankf-Trust Effekten Fd DM 174.88
(d) Frankf-Trust Interzins DM 39.39
(w) Future Div.Fund $ 25,750.00
(w) George V INV. BOND F. $ 20.46
(m) German Sel. Associates DM 2280.29
(d) Green Line France FF 716.10
(w) Haussmann Hldgs. N.V. $ 293.01
(w) Hestia Funds $ 155.47
(w) Horizon Fund $ 1849.27
(w) Ibex Holdings Ltd. SF 192.45
(w) IFDC Japan Fund YEN 49,307.00
(r) ILA-IGB $ 6.51
(r) ILA-IGS $ 9.97
(m) IncAmerica N.V. $ 14.35
(m) IncAsia N.V. $ 11.55
(w) Interecu Fund 'A' ECU 1024.73
(w) Interecu Fund 'B' ECU 1224.55
(m) Interface Fund Ltd. $ 145.02
(d) Interfund SA $ 43.76
(w) Intermarket Fund $ 420.44
(r) Int'l Securities Fund $ 25.65
(w) Intersec SA $ 4093.80
(d) Invesia DWS DM 80.59
(w) Inoremel $ 11.51
(r) Italfortune Int'l Fund SA $ 49.12
(m) Japan Selection Asses. Y 11,011.00
(w) Japan Selection Fund $ 219.10
(w) Japan Pacific Fund $ 306.80
(w) Kenmar Intl - B $ 9319.15
(w) Kleinwort Bens. Jap. Fd. $ 281.15
(d) KML-II High Yield 11/01/90 $ 737.83
(w) Korea Growth Trust $ 42.54
(w) LACO International $ 6.93
(w) Leumi Val.Francaises FF 1038.34
(w) Liberty Offshore Fund $ 93.93
(d) Liquibaer $ 1818.00
(m) London Portfolio G'td. I. $ 88.32
(m) London Portfolio G'td. II. $ 9.02
(w) Luxfund $ 115.97
(w) Lynx Sel.Holdings SF 139.93
(m) MCM International Limited $ 137.80
(w) ML Morgens Lv Hi Yld.Inv.NV $ 9.03
(d) Mediolanum Sel. Fd. $ 44.50
(d) NCA FUND $ 12.37
(w) Nippon Fund $ 109.00
(m) NMT Asian Sel. Portfolio $ 211.40
(w) NMT Citadel Bond SF 114.63
(m) NMT Nostec Portfolio s/s $ 111.59
(w) NM Inc. & Growth Fund $ 16.46
(d) Nomura-Cap Int Eq Fd $ 15.18
(d) Nordmix Lit 11617.00
(w) Noveurope ECU 3064.83
(w) NSP F.I.T. $ 286.01
(m) Oppenheimer U.S.Arb. $ 122.57
(m) Overlook Performance $ 1136.26
(d) Pacific Nies Fund $ 11.04
(d) PAM Futures Trad. $ 988.91
(w) Pancurri Inc. $ 150.52
(m) Paragon Fund Limited $
(d) Preferred Capital Fund Lt. $ 85.63
(w) Prosp. I.H.Inc.P.F.05/01/90 $ 7.11
(w) Protected Perfor. Fund $ 0.71
(w) Quantum Fund N.V. $ 15,337.84
(w) Rep.(Guernsey) Dol.Inc.fd $ 9.74
(w) Samurai Portfolio SF 348.70
(d) Sanyo Kle.Spain Fd $ 11.47
(d) Sarakreek Holding n.v.++ $ 31.50
(m) Scimitar Guaranteed $ 8.62
(d) SCI/Tech. SA Luxembourg $ 20.07
(w) SP International S.A. $ 5269.96
(m) SLH Guar. F.F.I. $ 986.29
(d) Strat Int'l Gold Fund SA $ 6.76
(b) Stellux Fund $ 183.24
(w) Sussex Silverman $ 1096.00
(w) Techno Growth Fund SF 66.41
(w) Templeton Glob Inc. $ 9.75*
(w) The Optimum Fund $ 1245.96
(w) The Petrus Fund Ltd. $ 1.13
(m) TIIC(O.T.C) Jap.fd Sicav $ 16.58
(w) Transpacific Fund Y 38783.00
(w) Tudor B.VI Futures.LTD $ 4390.81
(d) Turquoise Fund $ 227.79
(w) Tweedy,Browne n.v.Cl.A $ 3703.35
(w) Tweedy,Browne n.v.Cl.B $ 1921.67
(m) Tweedy,Browne (U.K.) n.v. $ 1465.87
(d) Unico Inv.Fund DM 69.76
(d) Unico Equity.Fund DM 63.49
(d) Uni Bond Fund ECU 1524.47
(r) Uni Capital Fund $ 1720.38
(d) Univers Bonds DM 131.10
(w) Vanderbilt Assets $ 16.49
(m) Victor Futures Fund $ 187.50
(d) Victoria Fund $ 8,750.00
(w) Willerbond Capital $ 14.51
(d) World Fund S.A. $ 11.78
(d) World Balanced Fund S.A. $ 12.36
(m) Zweig Int'l Ltd $ S/S 9,252.00

WORLD MARKETS' IN REVIEW
IN THE IHT EVERY MONDAY.
A WEEKLY REVIEW OF WORLD STOCK MARKETS. ESSENTIAL READING FOR INVESTORS AND PROFESSIONALS WORLDWIDE

A$ - Australian Dollars; AS - Austria Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; LIt - Italian Lira; LF - Luxembourg Francs; p-pence; Ptas - Pesetas; SF - Swiss Francs; Y-Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; -@ Offer Price incl. 3% prelim. charge; + - Paris exchange; ++ - Amsterdam exchange; e - misquoted earlier; x - not registered with regulatory authority

Be sure that your fund is listed in this space daily. Telex Simon OSBORN at 613595F for further information.

MARKET DIARY

Via Associated Press Jan. 15

European Commodities

	Close Bid	Ask	High	Low	Previous Bid	Ask
LONDON SUGAR U.S. Dollars per metric ton						
Mar	323.60	323.80	324.80	320.00	322.00	322.20
May	323.80	324.00	324.60	320.60	322.00	322.20
Aug	321.20	321.40	321.80	317.40	318.20	318.60
Oct	313.80	314.00	314.20	311.80	312.00	312.20
Dec	300.00	312.00	N.T.	N.T.	303.40	303.60
Mar	294.80	295.00	296.00	295.00	292.80	293.00
May	290.20	294.00	N.T.	N.T.	289.00	292.00
Volume: 4,906 lots of 50 tons.						
LONDON COCOA Sterling per metric ton						
Mar	636	637	643	636	641	642
May	649	651	657	649	658	659
Jul	664	665	670	664	669	670
Sep	679	680	685	679	682	683
Dec	699	700	706	700	704	705
Mar	715	716	720	715	719	720
May	729	730	732	729	731	732
Volume: 4,174 lots of 10 tons.						
LONDON COFFEE Sterling per metric ton						
Jan	576	579	584	569	588	591
Mar	597	598	606	591	607	610
May	614	615	620	608	622	624
Jul	631	633	638	626	643	645
Sep	652	653	658	645	662	665
Nov	667	669	677	665	684	686
Jan	685	687	695	684	700	706
Volume: 4,010 lots of 5 tons.						

PARIS SUGAR French francs per metric ton	High	Low	Close Bid	Ask	Ch'ge
Mar	2,505	2,480	2,496	2,500	—3
May	2,490	2,460	2,471	2,480	+2
Aug	2,470	N.T.	2,475	2,485	—10
Oct	N.T.	N.T.	2,310	2,330	—20
Dec	N.T.	N.T.	2,160	2,200	—8
Mar	N.T.	N.T.	2,160	2,200	Unch.

Est. vol.: 4.30 lots of 50 tons. Prev. actual vol.: 3,055. Open interest: 16,654 lots.

Sources: Paris Bourse du Commerce, London Petroleum Exchange, Reuters.

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	*Sh'rt
Jan. 12	351,569	1,000,393	4,736
Jan. 11	364,455	447,509	4,561
Jan. 10	355,703	571,584	13,670
Jan. 9	333,570	531,421	4,909
Jan. 8	325,718	467,612	3,777

*Included in the sales figures

London Metals

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) Sterling per metric ton				
Spot	1519.00	1521.00	1559.00	1561.00
Forward	1530.00	1540.00	1568.00	1570.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1433.00	1435.00	1452.00	1453.00
Forward	1447.00	1447.50	1462.00	1463.00
LEAD Sterling per metric ton				
Spot	419.00	421.00	422.00	423.00
Forward	415.00	416.00	416.00	416.50
NICKEL Dollars per metric ton				
Spot	7400.00	7450.00	7500.00	7550.00
Forward	7275.00	7290.00	7360.00	7370.00
TIN Dollars per metric ton				
Spot	6780.00	6800.00	6680.00	6700.00
Forward	6880.00	6890.00	6815.00	6818.00
ZINC (High Grade) Dollars per metric ton				
Spot	1265.00	1275.00	1260.00	1270.00
Forward	1245.00	1255.00	1240.00	1250.00

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.7025	0.725
Coffee, lb	0.70	0.72
Copper electrolytic, lb	1.228	1.228
Iron FOB, ton	213.00	213.00
Lead, lb	0.38	0.38
Printcloth, yd	n.a.	n.a.
Silver, troy oz	5.24	5.34
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	94.00	97.17
Tin, lb	4.0369	4.0465
Zinc, lb	0.66	0.68

DM Futures Options

Strike Price	Calls-Settle Jan	Feb	Mar	Puts-Settle Jan	Feb	Mar
57	2.11	2.15	2.26	0.06	0.17	0.39
58	2.21	1.35	1.45	1.33	0.37	0.60
59	1.49	0.74	1.08	1.78	0.76	1.38
60	1.29	0.37	0.67	2.35	1.39	1.48
61	0.76	0.17	0.40	3.06	2.18	2.41
62	0.70	0.08	0.23	—	—	3.28

Est total volume: 6,197
Calls: Fri. volume: 3,889; open int.: 57,245
Puts: Fri. volume: 4,677; open int.: 76,977
Source: CME.

NYSE Diary

Not available at press time

AMEX Diary

Not available at press time

NASDAQ Diary

	Close	Prev.
Advanced	715	482
Declined	1,246	1,806
Unchanged	2,382	2,057
Total issues	4,343	4,345

Dividends

Company	Per	Amt	Pay	Rec
INCREASED				
Arrow Bank Corp	Q	.17	2-11	1-24
Pentair Inc	Q	.22	2-12	1-26
Washington Tr Bncp	Q	.33	2-22	2-5
USUAL				
Delchamps Inc	Q	.10	2-21	2-7
Dime Savings Bk NY	Q	.15	3-8	2-6
Shelton Bancorp	Q	.10	2-8	1-23
Watsco Inc cl A	Q	.05	2-28	1-31
Watsco Inc cl B	Q	.04	2-28	1-31
Williams (WW) Co	Q	.17	2-16	2-2

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

To Our Readers

Certain statistical data is missing from this edition because of technical problems. We regret the inconvenience to readers.

Dow Jones Averages

	Open	High	Low	Close	Ch'ge
Indus	n.a.	2,691.77	2,666.38	2,669.37	— 19.84
Trans	—	1,145.45	1,132.47	1,135.14	— 5.51
Util	—	220.89	219.19	220.13	— 0.57
Comp	—	1,004.00	995.06	996.40	— 5.91

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	390.72	386.98	387.45	—3.27
Transp.	269.85	267.12	267.75	—1.50
Utilities	144.57	143.08	143.35	—1.22
Finance	30.05	29.61	29.68	—0.36
SP 500	339.94	336.57	337.00	—2.93
SP 100	318.68	315.92	316.16	—2.50

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	187.43	186.71	186.71	—1.61
Industrials	225.12	224.35	224.35	—1.80
Transp.	172.96	171.80	171.80	—1.69
Utilities	94.90	94.49	94.48	—0.49
Finance	150.96	150.19	150.19	—1.70

NASDAQ Indexes

	Close	Ch'ge	Week Ago	Month Ago
Composite	436.64	—3.08	458.71	436.03
Industrials	437.67	—2.78	455.42	427.86
Finance	496.09	—3.72	509.39	488.29
Insurance	530.32	—2.17	551.71	531.55
Utilities	642.73	—8.40	714.98	703.63
Banks	387.66	—3.26	400.19	377.67
Transp.	487.23	—0.06	508.63	480.26

AMEX Stock Index

High	Low	Close	Ch'ge
372.29	368.22	368.58	—3.65

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	92.63	—0.11
Utilities	94.13	—0.05
Industrials	91.14	—0.16

Market Sales

NYSE 4 p.m. volume	140,590,000
NYSE prev. cons. close	220,103,710
Amex 4 p.m. volume	13,630,000
Amex prev. cons. close	20,650,000
NASDAQ 4 p.m. volume	108,055,500
NASDAQ prev. 4 p.m. volume	143,504,400
NYSE volume up	30,606,300
NYSE volume down	95,043,000
Amex volume up	4,575,600
Amex volume down	7,190,500
NASDAQ volume up	n.a.
NASDAQ volume down	n.a.

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
PhilMr s	27857	39	38¼	38⅛	— ⅜
Citicorp	26305	27¼	26⅜	26½	— ⅜
Rorer	23890	63¾	59½	62¾	+13
Chase	15899	32⅝	31½	32¼	+ ½
GenEl	13554	62⅞	62½	62¾	— ⅜
AT&T	12871	43⅛	42½	42⅝	— ⅜
Merck	12504	75⅛	73⅜	73¼	—1⅞
SybITc	11828	11	10¼	10¾	—4⅜
EKodak	11428	41	40½	40⅝	— ⅜
Morgan	9774	39⅛	38⅛	38½	—1⅜
McDnl s	9417	32½	31½	31¾	— ⅜
Waste s	9125	33⅛	32¼	32⅜	— ¼
IBM	8573	98⅝	97¼	97⅞	
AmExp	8228	33¼	32⅞	32⅞	— ⅜
FdNM s	8141	36½	35⅞	36¼	— ⅜

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
Dk Nh wt	15413	5⅝	4⅞	5½	+ ¼
TexAir	6900	9	8¾	8⅞	— ⅛
Diasonc	4775	3⅝	3½	3½	— ⅛
EchoBy	4497	20⅛	19⅝	19⅞	+ ½
Sothby s	3225	23	21⅝	21¾	—1⅜
Alarl	3200	8¾	8⅝	8⅝	— ⅛
FruitL	2835	14⅛	13¾	14⅛	— ⅛
ENSCO	2563	3⅞	3¾	3¾	
Alza	1876	38¼	37¼	38⅛	+ ⅜
WangB	1507	4½	4⅜	4⅜	— ⅛
DowC rl	1497	8⅝	8¼	8⅝	+ ⅛
BergB s	1491	24⅛	23⅝	23⅝	— ⅜
PegGld	1471	15¼	15	15⅛	— ⅛
Coran	1460	9⅝	9¼	9½	+ ⅛
Hasbro	1454	20	19⅝	19⅝	— ⅜

WORLD STOCKS IN REVIEW

IN THE IHT EVERY MONDAY.
A CONCISE OVERVIEW OF TRADING ON MAJOR WORLD STOCK MARKETS DURING THE PREVIOUS WEEK AND A LOOK AT LIKELY DEVELOPMENTS AHEAD.
ESSENTIAL READING FOR INVESTORS AND PROFESSIONALS — WORLDWIDE

Stocks Drift Down On Inflation Fears

Compiled by Our Staff From Dispatches

NEW YORK — Prices closed lower Monday on the New York Stock Exchange, drifting down in light trading on nervousness about a resurgence of inflation and the recent increase in interest rates.

The Dow Jones industrial average, which plummeted 71.46 points Friday, its steepest drop since the October mini-collapse, fell 19.83 to close at 2,669.37.

Among broader market gauges, the New York Stock Exchange composite index fell 1.61 to 186.71 and Standard & Poor's 500-stock index dropped 2.93 to 337.00. The price of an average share tumbled 30 cents.

Declines overwhelmed advances by about a 5-2 ratio, as the broad market showed much more pronounced weakness. Big Board volume was 140.59 million shares, down from 183.88 million traded Friday. Turnover dried up late in the session because of the Martin Luther King Jr., holiday, for which banks and government offices were closed.

"Basically today I think prices just fell of their own weight, following through from Friday," said Rodd Anderson, vice president of equity trading at Shearson Lehman Hutton Inc.

Mr. Anderson said investors were anxiously awaiting the opening of the Tokyo stock market for a sense of direction for worldwide stock prices. The Japanese market was closed Monday for a holiday.

Michael Metz, analyst at Oppenheimer & Co. said Monday morning's bankruptcy filing by the retailing units of Campeau Corp. was expected by the market and did not have much effect on trading.

"What's really annoying the market is the further rise in interest

N.Y. Stocks

rates and gold prices, which are stronger on fears that inflation will pick up," said Mr. Metz.

The yield on the 30-year Treasury bond rose to 8.17 percent last week, its highest yield since early October.

Philip Morris was the most active NYSE issue, off ⅜ to 38⅛.

Citicorp followed, down ⅜ to 26½.

Rorer Group catapulted 13¾ to 63 after reportedly saying it was in talks on a transaction in which another company would acquire 68 percent of its stock.

Among the blue chips, AT&T fell ⅜ to 42⅝, Union Carbide lost ⅜ to 22½, Merck tumbled 1⅞ to 73¼, Westinghouse lost 1⅛ to 72⅞ but IBM rose ¼ to 98⅛.

Elsewhere, Sea Containers, which opened shortly after 1 P.M., plunged 7¼ to 59½ after saying it would urge acceptance of a bid from Temple Holdings that includes some asset sales.

In Frankfurt, meanwhile, West German shares surprised dealers by shrugging off worries about Friday's slump on Wall Street to close well above opening lows.

The DAX index of West Germany's 30 biggest shares closed at 1,841.61, off 14.05 points from Friday, but up more than 22.9 points from the intra-day low of 1,818.71 at mid-morning.

Asian stock markets on Monday emulated Wall Street's fall on Friday, though Taiwan's devil-may-care investors bucked the trend and pushed the island's ebullient bourse to a record high.

Hong Kong, Singapore, Sydney and Wellington recorded declines. *(UPI, Reuters)*

Germans Boost Trading Day

Reuters

FRANKFURT — West Germany's eight stock exchanges started Monday opening for three hours each trading day instead of two, as part of a campaign to counter competition from foreign markets.

Although demand for West German stocks has surged since the opening of East German borders last November, the exchanges have been struggling to hold onto their own business. Nearly one-third of all turnover in West German blue-chip shares is transacted not in Frankfurt or Hamburg but in London.

Official trading now begins at 10:30 local time and ends as usual at 1:30 P.M.

BUSINESS BRIEFS

U.S. Memories Confirms Its Failure

SANTA CLARA, California (AP) — A U.S. venture that was designed to regain control of the computer chip industry from Japanese dominance is being folded because it failed to attract investors, it was officially confirmed on Monday.

U.S. Memories Inc. was hailed as a $1 billion cooperative venture by American companies, but in its seven brief months of life, it failed to make a single computer chip or earn a dollar.

"I am extremely disappointed by these turn of events," said Sanford L. Kane, president of U.S. Memories, at a news conference at Santa Clara headquarters. The demise of the company had been widely predicted.

Ecolab Buys Its Shares From Carlyle

ST. PAUL, Minnesota (Reuters) — Ecolab Inc. said Monday it had repurchased from Carlyle Group and its affiliates about 1.8 million Ecolab shares for a total of $55.4 million, or $30.75 per share.

The company said under its stock repurchase program for up to $110 million of stock, it had bought back about 2.4 million shares at a total price of about $72.0 million.

Akzo to Leave Kollmorgen Ventures

AMSTERDAM (Reuters) — The Dutch chemical company Akzo NV said Monday it would discontinue both its joint ventures with Kollmorgen Corp. of the United States and had set up a venture with AMP Inc.

AMP and Akzo will start a joint venture that will buy the business of Additive Product Co., a joint venture of Akzo and Kollmorgen. Kollmorgen will be paid $50 million for assets and technology.

Nobel To Buy Dutch Paint Company

STOCKHOLM (Reuters) — Swedish arms and chemicals group Nobel Industrier AB said Monday its Casco Nobel subsidiary had agreed with Koninklijke Maastrichtsche Zinkwit Maatschappij NV in the Netherlands to buy its paint unit Trimetal for an undisclosed sum.

KMZM is a unit of Société Générale de Belgique. Trimetal is a leading paint manufacturer in the Benelux countries.

Disney Has Plans for Expansion

LAKE BUENA VISTA, Florida (AP) — A fourth theme park, a Soviet pavilion and seven new hotels will be among major projects to be built during a decade of rapid expansion at Florida's Disney World, the chairman of Walt Disney Co., Michael Eisner, has announced.

The 1990s also will feature the entertainment conglomerate's venture into time-share vacation units, while it plans to open 29 new attractions at its three existing Florida parks.

Natwest Bank Reorganizes Its Board

LONDON (AP) - National Westminster Bank PLC, one of Britain's largest commercial banks, on Monday named a new deputy chairman as part of a series of changes that include reducing the size of its board to 19 members from 28.

The new deputy chairman will be Christopher Tugendhat, a board member, who is chairman of the Civil Aviation Authority and a former vice president of the European Community Commission. He will replace Philip Wilkinson, who is to retire June 30.

For the Record

Apple Computer Inc. said in California on Monday that it is cutting expenses, including possible staff reductions, because the computer industry's growth was slower than expected. *(Reuters)*

A committee of technicians from 15 European countries opened a three-day meeting on Monday in Granada, Spain, aimed at setting standards for a continental beeper network. *(Reuters)*

Dollar Advances Against Mark in Light Trading

Reuters

NEW YORK — The dollar ended higher against the mark as investors took profits on some long-mark positions in thin trading that was shortened for the Martin Luther King Day holiday, dealers said.

Foreign Exchange

Tokyo markets were also closed for a holiday.

Selling of marks for yen and British pounds propelled the dollar higher versus the West German currency here. It rose to 1.696 DM from 1.687 DM.

Some dealers expect the U.S. currency to test and possibly break above 1.70 marks this week.

The dollar's rise above resistance at 1.6880 marks on Monday and its ability to hold above that level also prompted some dollar buying, said Axel Coym of Westpac Banking Corp.

The dollar is likely to hit 1.70 marks this week, Mr. Coym said. "We had a pretty negative week for the dollar last week. By all rights it should have gone lower, but it didn't."

The dollar should stay well-bid and possibly rise as high as 1.71 marks, a level which would present a good opportunity to buy marks and sell dollars, another trader said.

However, the dollar stayed weaker against the yen, closing at 145.435, compared with 145.675 yen on Friday. It closed slightly lower against the pound, too. The pound stood at $1.663 on Monday, up from Friday's $1.660.

The dollar strengthened against the Swiss franc, closing at 1.511 francs, compared with 1.492 on Friday. It also advanced against the French franc to 5.7355 francs from 5.7135 francs.

Elsewhere, the Bank of Italy intervened at the Milan fixing, buying around $51 million and 30 million marks. In Milan, the Italian currency was fixed at 1,255.50 per dollar, compared with 1,254.5 Friday. It was stable at 745.65 to the mark, compared with 745.75 on Friday.

London Dollar Rates

Closing	Mon.	Fri.
Deutsche mark	1.6895	1.6755
Pound sterling	1.6615	1.6715
Japanese yen	145.28	145.35
Swiss franc	1.5065	1.4950
French franc	5.7300	5.7101

Source : Reuters

U.S. FUTURES

Via Associated Press Jan. 15

Grains

Season High	Season Low		Open	High	Low	Close	Chg.
WHEAT (CBT) 5,000 bu minimum- dollars per bushel							
4.43	3.87	Mar	4.01	4.01½	3.97½	3.99½	—.02
4.32	3.70	May	3.81½	3.82	3.77¼	3.78¼	—.03¾
3.85	3.42¼	Jul	3.57½	3.58	3.53½	3.55¼	—.02½
3.73	3.48	Sep	3.62	3.62½	3.59	3.60½	—.01½
3.80	3.56	Dec	3.73	3.73½	3.69¾	3.71¼	—.01¾
3.82½	3.78	Mar	3.77	3.77	3.77	3.77	—.01
Est. Sales 9,500 Prev. Sales 18,777							
Prev. Day Open Int. 54,545							
CORN (CBT) 5,000 bu minimum- dollars per bushel							
2.86½	2.26	Mar	2.42¼	2.44¼	2.41½	2.43¾	+.01½
2.89½	2.30	May	2.48	2.50¾	2.47½	2.50¼	+.01¾
2.85	2.31	Jul	2.53¼	2.55¾	2.52½	2.55	+.01½
2.71	2.29	Sep	2.50½	2.52½	2.50¼	2.52¼	+.01¼
2.63½	2.22	Dec	2.48¾	2.50	2.48¼	2.49½	
2.56	2.41	Mar	2.54¾	2.56	2.54¼	2.56	
2.60	2.55½	May	2.58½	2.59¾	2.58½	2.59½	
Est. Sales 25,000 Prev. Sales 56,189							
Prev. Day Open Int. 176,154 up 3,500							
SOYBEANS (CBT) 5,000 bu minimum- dollars per bushel							
7.67	5.51	Jan	5.64¼	5.66½	5.63½	5.64	—.01½
7.74	5.63½	Mar	5.77	5.78½	5.75½	5.75¾	—.02
7.78	5.73½	May	5.90½	5.92	5.89	5.89¼	—.02
7.31	5.78½	Jul	6.02	6.04¼	6.01	6.02	—.01¼
7.05	5.78	Aug	6.04½	6.06½	6.04½	6.05	—.02¼
6.60	5.68	Sep	6.06	6.07	6.05	6.05	—.03
6.60	5.64½	Nov	6.12	6.14	6.11½	6.11¾	—.02
6.35½	5.87	Jan	6.22	6.22½	6.22	6.22	—.01
6.43	6.32½	Mar	6.30½	6.32½	6.30½	6.32	—.01½
Est. Sales 24,000 Prev. Sales 38,319							
Prev. Day Open Int. 97,524 up 2,086							
SOYBEAN MEAL (CBT) 100 tons- dollars per ton							
220.00	175.50	Jan	176.00	176.80	174.50	174.70	—1.50
249.20	175.20	Mar	177.50	178.00	176.10	176.20	—1.80
230.50	174.50	May	178.00	179.10	178.00	178.20	—.90
208.00	174.00	Jul	181.50	181.50	180.00	180.70	—.80
188.00	172.50	Aug	181.50	182.70	181.50	182.10	—.40
188.00	171.50	Sep	183.00	183.80	183.00	183.10	—.90
188.50	174.00	Oct	183.90	185.20	183.90	184.40	—.60
190.50	174.00	Dec	186.50	187.50	186.50	187.20	—.50
189.80	186.10	Jan	188.00	188.00	188.00	187.50	—.70
Est. Sales 12,000 Prev. Sales 21,132							
Prev. Day Open Int. 56,221 off 885							
SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.							
25.45	18.35	Jan	19.10	19.18	19.05	19.15	—.02
25.85	18.78	Mar	19.33	19.48	19.30	19.42	+.02
26.05	19.20	May	19.68	19.82	19.64	19.79	+.04
25.80	19.50	Jul	19.95	20.05	19.90	20.04	+.06
23.90	19.50	Aug	20.00	20.08	20.00	20.08	+.13
21.70	19.50	Sep	20.00	20.08	20.00	20.08	+.08
21.35	19.90	Oct	20.12	20.12	20.12	20.12	+.10
21.50	20.00	Dec	20.20	20.30	20.15	20.25	+.05
21.45	20.05	Jan				20.25	+.05
20.60	20.35	Mar	20.35	20.35	20.35	20.30	—.12
Est. Sales 10,000 Prev. Sales 12,677							
Prev. Day Open Int. 72,356 off 1,129							

Livestock

Season High	Season Low		Open	High	Low	Close	Chg.
CATTLE (CME) 40,000 lbs.- cents per lb.							
78.00	69.80	Feb	77.00	77.37	76.90	77.27	+.07
76.95	70.80	Apr	76.25	76.50	76.10	76.47	+.05
73.45	69.75	Jun	71.55	71.85	71.42	71.77	+.20
72.07	69.12	Aug	71.10	71.15	70.95	71.05	—.12
72.35	68.30	Oct	71.60	71.62	71.42	71.50	—.35
73.20	71.00	Dec	72.65	72.65	72.30	72.30	—.30
Est. Sales Prev. Sales 24,194							
Prev. Day Open Int. 92,871 up 1,730							
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
85.60	77.30	Jan	83.70	83.75	83.22	83.35	—.50
84.10	77.40	Mar	82.20	82.55	82.12	82.20	—.22
83.00	76.90	Apr	81.45	81.90	81.50	81.72	—.18
82.00	76.40	May	80.65	81.20	80.65	80.85	—.17
81.10	78.50	Aug	80.35	80.40	80.15	80.20	—.27
80.35	78.00	Sep	79.65	79.65	79.65	79.75	—.25
80.00	78.20	Oct	79.50	79.60	79.50	79.60	—.05
80.00	79.00	Nov	79.60	79.60	79.40	79.40	—.40
Est. Sales Prev. Sales 2,191							
Prev. Day Open Int. 10,632 off 122							
HOGS (CME) 30,000 lbs.- cents per lb.							
51.87	41.75	Feb	50.50	50.87	50.22	50.30	—.37
48.90	39.40	Apr	47.82	48.35	47.50	47.92	+.15
53.05	44.25	Jun	52.15	53.05	52.15	52.65	+.25
53.20	44.95	Jul	52.45	53.07	52.25	52.77	+.20
51.60	43.70	Aug	50.77	51.40	50.60	50.92	+.07
46.55	40.80	Oct	45.40	45.78	45.25	45.35	—.07
47.90	44.25	Dec	47.00	47.20	46.85	47.00	
Est. Sales Prev. Sales 7,346							
Prev. Day Open Int. 31,691 up 977							
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
65.90	38.70	Feb	55.20	55.75	54.80	55.30	—.17
64.90	38.15	Mar	55.50	56.20	55.27	55.85	+.02
63.75	39.50	May	56.90	57.40	56.50	57.15	+.05
61.90	39.95	Jul	57.10	57.72	56.90	57.32	+.10
60.00	39.30	Aug	55.25	55.75	54.95	55.40	+.03
63.40	48.07	Feb	57.40	57.50	56.70	56.70	—.07
58.00	50.30	Mar	57.20	57.20	56.80	56.80	+.40
Est. Sales Prev. Sales 6,289							
Prev. Day Open Int. 12,384 off 197							

Food

Season High	Season Low		Open	High	Low	Close	Chg.
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
146.00	71.00	Mar	78.60	79.80	77.50	77.56	—1.48
124.50	72.75	May	80.08	81.40	79.30	79.74	—1.01
132.25	74.85	Jul	81.80	83.30	81.35	81.76	—.87
120.00	77.25	Sep	84.25	85.15	83.25	83.43	—1.22
104.00	81.00	Dec	87.25	87.75	86.30	86.35	—.90
116.75	83.00	Mar	90.50	90.50	89.00	89.00	—1.00
123.00	92.50	May				91.00	—.50
Est. Sales 9,475 Prev. Sales 8,668							
Prev. Day Open Int. 38,117 off 696							
SUGARWORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
15.38	8.75	Mar	14.55	14.70	14.48	14.65	+.09
15.10	9.20	May	14.50	14.66	14.49	14.62	+.06
14.84	10.55	Jul	14.33	14.50	14.30	14.49	+.08
14.41	10.48	Oct	14.00	14.16	13.99	14.12	+.04
13.74	12.10	Mar	13.38	13.42	13.38	13.40	+.02
		May				13.30	+.17
Est. Sales Prev. Sales 32,109							
Prev. Day Open Int. 163,711 up 1,221							
COCOA (NYCSCE) 10 metric tons- $ per ton							
1535	896	Mar	990	997	975	977	—10
1465	905	May	983	988	970	972	—9
1380	921	Jul	990	995	977	980	—11
1400	941	Sep	1005	1016	998	998	—10
1395	965	Dec	1030	1031	1020	1020	—10
1380	985	Mar	1048	1051	1040	1040	—10
1071	1000	May				1050	—5
Est. Sales 4,256 Prev. Sales 9,879							
Prev. Day Open Int. 53,751 up 1,210							
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
198.00	121.00	Jan	201.00	201.00	190.00	191.25	—6.25
194.00	121.40	Mar	198.50	198.50	192.50	195.15	+1.65
194.00	122.50	May	197.75	197.75	192.25	194.15	+1.40
193.00	123.00	Jul	197.00	197.00	192.50	193.25	+1.25
191.15	123.50	Sep	196.15	196.15	191.25	192.15	+1.00
190.00	124.00	Nov	195.00	195.00	190.00	190.25	+.25
184.75	125.00	Jan	189.75	189.75	186.00	186.75	+2.00
180.00	180.00	Mar	189.75	189.75	189.75	185.50	+.75
184.75	178.00	May	189.50	189.75	185.00	185.00	+.25
Est. Sales Prev. Sales 1,111							
Prev. Day Open Int. 9,092 up 109							

Metals

Season High	Season Low		Open	High	Low	Close	Chg.
HI GRADE COPPER 25,000 lbs.- cents per lb.							
130.00	101.75	Jan	105.50	105.50	103.90	104.60	—2.10
126.00	102.50	Feb	105.40	105.40	103.90	104.40	—1.90
125.90	98.50	Mar	105.10	105.30	103.00	104.00	—1.90
123.70	98.70	Apr	103.50	103.70	103.00	103.30	—1.80
120.70	95.85	May	103.50	103.80	101.70	102.80	—1.50
116.80	98.50	Jun	103.00	103.05	102.20	102.20	—1.50
117.10	93.25	Jul	102.60	102.60	101.70	101.75	—1.15
110.50	100.50	Aug				101.50	—1.00
113.30	94.00	Sep	101.80	101.20	100.50	100.75	—.95
109.00	99.50	Oct				100.50	—.80
101.70	99.00	Nov	100.50	100.50	100.50	100.20	—.80
110.00	93.75	Dec	99.60	99.60	99.00	99.50	—.70
102.50	101.00	Jan				99.00	—.30
102.00	100.00	Mar				98.70	—.40
103.25	103.25	May				98.00	—.50
		Jul				98.00	—.50
		Sep				98.00	—.50
Est. Sales 5,800 Prev. Sales 9,053 Prev. Day Open Int. 30,850 Chg. +854							
ALUMINUM (COMEX) 40,000 lbs.- cents per lb.							
82.50	82.50	Jan				70.25	
		Feb				70.25	
87.00	71.00	Mar				71.50	
75.00	74.50	May				71.50	
95.50	95.50	Jul				71.50	
74.50	74.50	Sep				71.25	
		Dec				71.25	
		Jan				71.25	
		Mar				71.25	
		May				71.25	
		Jul				71.25	
		Sep				71.25	
Est. Sales Prev. Sales							
Prev. Day Open Int. 48							
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
815.0	512.0	Jan				524.2	—8.8
567.0	520.0	Feb				525.7	—9.0
910.0	517.6	Mar	531.0	539.5	528.0	529.8	—9.0
910.0	526.5	May	547.5	547.5	536.5	537.9	—9.1
761.5	534.0	Jul	552.0	552.8	544.0	545.9	—9.2
760.0	541.0	Sep	560.0	560.8	555.5	554.3	—9.3
742.0	552.5	Dec	575.0	575.0	564.0	565.8	—9.5
688.0	596.0	Jan				569.3	—9.5
665.0	565.8	Mar	578.0	578.0	578.0	577.7	—9.6
647.0	573.0	May				585.5	—9.6
667.5	583.0	Jul				593.8	—9.6
654.0	590.0	Sep				602.6	—9.6
Est. Sales 20,000 Prev. Sales 22,929							
Prev. Day Open Int. 94,571 off 377							
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
601.50	464.50	Jan	501.00	501.50	499.00	499.30	—1.20
557.50	473.00	Apr	511.00	511.00	500.50	506.10	—1.40
556.00	477.00	Jul	517.00	518.00	508.00	512.80	—1.40
560.50	483.50	Oct	519.00	519.00	519.00	520.10	—1.40
537.00	493.90	Jan				527.40	—1.40
Est. Sales Prev. Sales 4,988							
Prev. Day Open Int. 19,939 up 210							
PALLADIUM (NYME) 100 troy oz- dollars per oz							
176.00	123.00	Mar	138.75	139.90	138.50	139.10	+.80
175.00	133.00	Jun	140.25	140.25	139.50	140.00	+.35
149.50	133.00	Sep				141.00	+.95
147.00	138.25	Dec				141.85	+.95
141.00	141.00	Mar				142.60	+.95
Est. Sales Prev. Sales 372							
Prev. Day Open Int. 6,378 up 72							
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
418.00	378.00	Jan	411.50	411.50	411.50	412.70	+.50
516.00	364.70	Feb	417.20	418.50	412.60	415.10	+.50
420.50	397.00	Mar	420.00	420.00	420.00	417.70	+.50
525.00	370.00	Apr	424.00	424.00	418.30	420.60	+.50
497.00	372.90	Jun	427.50	429.00	423.00	425.60	+.50
487.00	380.00	Aug	433.50	433.50	428.50	430.50	+.50
472.00	384.50	Oct				435.20	+.50
455.50	387.50	Dec	442.00	443.50	438.50	440.10	+.40
454.50	394.80	Feb	446.50	447.80	444.00	445.20	+.30
460.00	398.50	Apr				450.00	+.70
463.00	402.60	Jun				455.30	
468.00	389.30	Aug				460.40	—.10
475.00	450.00	Oct				465.70	—.30
Est. Sales 40,000 Prev. Sales 86,179							
Prev. Day Open Int. 156,405 up 202							

Financial

Season High	Season Low		Open	High	Low	Close	Chg.
US T. BILLS (IMM) $1 million- pts of 100 pct.							
93.40	90.75	Mar	93.05	93.07	92.95	92.95	—.14
93.65	91.10	Jun	93.20	93.20	93.07	93.07	—.17
93.65	91.28	Sep	93.15	93.15	93.06	93.06	—.15
93.52	92.93	Dec	92.85	92.85	92.85	92.85	—.14
93.20	92.85	Mar	92.74	92.74	92.74	92.74	—.14
Est. Sales 3,465 Prev. Sales 14,399							
Prev. Day Open Int. 43,348 up 2,815							
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
101-7	95-17	Mar	98-27	98-28	98-12	98-15	—15
101-6	97-28	Jun	98-21	98-21	98-11	98-12	—15
100-14	99-2	Sep				98-9	—15
Est. Sales 6,000 Prev. Sales 29,695							
Prev. Day Open Int. 67,084 off 1,455							
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
101-4	72-1	Mar	96-31	96-31	96-17	96-19	—13
100-15	75	Jun	96-26	96-28	96-14	96-15	—13
100-4	79-1	Sep	96-17	96-17	96-8	96-8	—13
99-24	80	Dec	96	96-5	95-31	95-31	—12
99-12	79-21	Mar	95-22	95-22	95-20	95-21	—11
99-4	82-18	Jun	95-10	95-10	95-10	95-10	—10
99-5	86-4	Sep	95-1	95	95	95-1	—9
98-20	88-18	Dec	95	95	95	94-25	—8
98-13	94-4	Mar	94-24	94-24	94-18	94-18	—8
97-19	94-16	Jun	94-14	94-16	94-11	94-11	—5
		Sep	94-8	94-8	94-4	94-4	—4
Est. Sales 105,000 Prev. Sales 184,746							
Prev. Day Open Int. 324,855 up 17,317							
MUNICIPAL BONDS (CBT) $1000 x index-pts & 32nds of 100 pct							
95-23	85-19	Mar	92-27	92-28	92-23	92-24	—8
95-13	87-2	Jun	93-7	93-7	93-2	93-3	—7
95-11	90-18	Sep	93-8	93-11	93-8	93-11	—8
Est. Sales 1,000 Prev. Sales 5,170							
Prev. Day Open Int. 13,009 off 381							
EURODOLLARS (IMM) $1 million-pts of 100 pct.							
92.46	88.90	Mar	91.95	91.95	91.90	91.91	—.07
92.45	88.82	Jun	92.00	92.00	91.88	91.89	—.14
92.39	88.74	Sep	91.87	91.88	91.79	91.79	—.15
92.15	89.85	Dec	91.62	91.62	91.53	91.53	—.14
92.01	89.96	Mar	91.52	91.52	91.47	91.47	—.11
91.85	89.91	Jun	91.43	91.43	91.37	91.38	—.10
91.83	90.04	Sep	91.39	91.39	91.34	91.34	—.09
91.78	90.04	Dec	91.37	91.37	91.31	91.32	—.08
91.82	90.09	Mar	91.33	91.33	91.31	91.30	—.08
91.76	90.88	Jun	91.29	91.29	91.26	91.26	—.08
91.72	90.08	Sep	91.24	91.24	91.22	91.21	—.08
91.53	90.87	Dec	91.15	91.15	91.13	91.12	—.08
91.45	90.92	Mar	91.17	91.17	91.14	91.13	—.09
91.51	90.90	Jun	91.13	91.13	91.09	91.09	—.09
91.47	90.90	Sep	91.08	91.08	91.05	91.04	—.09
91.37	91.06	Dec	91.03	91.03	91.00	90.99	—.09
Est. Sales 77,663 Prev. Sales 232,714							
Prev. Day Open Int. 636,183 up 10,226							
BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001							
1.6530	1.4600	Mar	1.6526	1.6530	1.6408	1.6432	—24
1.6370	1.4400	Jun	1.6266	1.6266	1.6136	1.6158	—32
1.7700	1.5290	Sep	1.5980	1.5980	1.5910	1.5920	—42
Est. Sales 6,110 Prev. Sales 7,813							
Prev. Day Open Int. 23,968 up 195							
CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001							
.8595	.7890	Mar	.8577	.8578	.8523	.8527	—56
.8521	.8088	Jun	.8510	.8510	.8455	.8457	—53
.8466	.8107	Sep	.8450	.8450	.8435	.8407	—50
.8420	.8120	Dec	.8400	.8400	.8370	.8353	—47
.8365	.8160	Mar				.8305	—44
Est. Sales 7,326 Prev. Sales 3,300							
Prev. Day Open Int. 25,486 up 10							
FRENCH FRANC (IMM) $ per franc- 1 point equals $0.00001							
		Mar				.16780	
Est. Sales Prev. Sales							
Prev. Day Open Int.							
GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001							
.6012	.5000	Mar	.5943	.5945	.5890	.5898	—42
.6007	.5057	Jun	.5935	.5940	.5882	.5871	—43
.5980	.5325	Sep	.5895	.5895	.5895	.5865	—43
.5866	.5749	Dec				.5882	—44
.5940	.5915	Mar				.5880	—45
Est. Sales 26,032 Prev. Sales 44,880							
Prev. Day Open Int. 64,027 off 507							
JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001							
.008330	.006780	Mar	.006891	.006910	.006886	.006897	+24
.007530	.006850	Jun	.006910	.006910	.006910	.006913	+24
.007390	.006890	Sep	.006935	.006935	.006935	.006931	+24
.007040	.006920	Dec				.006952	+24
Est. Sales 14,838 Prev. Sales 30,315							
Prev. Day Open Int. 58,461 up 1,308							
SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001							
.6709	.5740	Mar	.6653	.6662	.6586	.6604	—56
.6694	.5850	Jun	.6649	.6645	.6574	.6590	—55
.6620	.6050	Sep	.6590	.6590	.6590	.6585	—50
.6592	.5600	Dec				.6580	—50
.6540	.6540	Mar				.6575	—60
Est. Sales 16,164 Prev. Sales 25,868							
Prev. Day Open Int. 37,499 off 1,427							

Industrials

Season High	Season Low		Open	High	Low	Close	Chg.
LUMBER (CME) 150,000 bd. ft.- $ per 1,000 bd. ft							
202.40	181.20	Jan	202.90	207.80	202.90	205.70	+2.80
197.30	185.00	Mar	195.80	196.80	195.40	195.80	—.60
198.40	188.00	May	197.80	198.00	196.60	196.73	—.60
199.60	177.50	Jul	198.50	198.50	198.00	198.10	—.70
199.40	192.00	Sep	198.60	198.60	198.50	198.60	—.50
200.00	189.90	Nov	194.90	194.90	194.40	195.80	—.50
198.40	186.30	Jan	197.20	197.20	197.20	197.20	—.80
Est. Sales 838 Prev. Sales 1,375							
Prev. Day Open Int. 6,150 up 82							
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
78.40	53.60	Mar	66.63	66.68	65.75	66.22	+.07
78.85	55.90	May	67.65	67.66	66.70	67.21	—.03
78.70	63.70	Jul	67.85	67.85	67.00	67.30	—.25
72.20	63.95	Oct	65.15	65.30	65.00	65.37	—.15
69.20	62.80	Dec	64.20	64.20	63.86	64.15	+.03
68.45	63.82	Mar				64.85	—.05
64.80	64.40	May				65.50	—.15
77.40	76.45	Jul				65.70	
Est. Sales 3,500 Prev. Sales 8,493							
Prev. Day Open Int. 29,899 off 352							
HEATING OIL (NYME) 42,000 gal- cents per gal							
78.50	48.00	Feb	68.50	68.50	64.50	64.60	—5.05
67.50	46.40	Mar	61.10	61.20	60.45	60.65	—2.00
62.50	45.00	Apr	57.20	57.60	56.61	56.61	—2.00
59.50	44.50	May	55.25	55.25	54.26	54.35	—1.91
57.70	44.90	Jun	53.76	53.90	53.20	53.25	—1.26
57.20	46.80	Jul	53.31	53.55	52.50	52.50	—1.81
57.40	47.80	Aug	53.34	53.34	53.34	53.34	—1.52
Est. Sales Prev. Sales 22,637							
Prev. Day Open Int. 85,329 up 1,054							
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
23.92	15.74	Feb	23.00	23.00	22.20	22.32	—.81
23.10	14.10	Mar	22.00	22.09	21.45	21.51	—.42
22.58	16.30	Apr	21.32	21.32	20.72	20.95	—.54
22.15	16.20	May	20.85	20.87	20.52	20.53	—.49
21.74	16.50	Jun	20.43	20.43	20.12	20.15	—.43
21.40	16.60	Jul	20.06	20.06	19.73	19.85	—.34
21.05	16.70	Aug	19.68	19.68	19.45	19.55	—.31
20.86	16.50	Sep	19.45	19.45	19.30	19.30	—.28
20.55	14.50	Oct	19.00	19.10	19.00	19.10	—.26
20.46	17.30	Nov	19.00	19.00	18.75	18.90	—.28
20.33	17.80	Dec	18.90	18.90	18.70	18.75	—.28
20.43	17.87	Jan	19.00	19.00	18.72	18.73	—.26
20.00	18.15	Feb	18.88	18.88	18.66	18.66	—.26
19.93	18.54	Mar	18.70	18.70	18.60	18.60	—.26
20.13	18.03	Apr	18.72	18.72	18.51	18.53	—.27
20.08	18.07	May	18.48	18.48	18.49	18.48	—.26
20.25	16.65	Jun	18.41	18.41	18.41	18.41	—.27
Est. Sales Prev. Sales 85,975							
Prev. Day Open Int. 290,309 up 12,451							

Stock Indexes

Season High	Season Low		Open	High	Low	Close	Chg.
SP COMP. INDEX (CME) points and cents							
369.05	225.00	Mar	341.20	341.70	338.90	338.90	—2.05
373.20	320.85	Jun	345.15	345.70	343.15	343.25	—1.40
372.50	345.40	Sep	348.75	348.75	348.75	348.00	—.80
Est. Sales Prev. Sales 54,497							
Prev. Day Open Int. 109,565 up 858							
VALUE LINE (KCBT) points and cents							
314.80	279.20	Mar	280.40	281.40	279.20	280.50	+.60
317.30	289.80	Jun	284.40	284.60	284.50	284.50	+.10
Est. Sales Prev. Sales 445							
Prev. Day Open Int. 1,197 off 14							

Commodity Indexes

	Close	Previous
Moody's	1,072.70 f	1,076.00 f
Reuters	1,795.20	1,808.60
D.J. Futures	129.98	130.45
Com. Research	N.A.	233.90

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

WORLD STOCK MARKETS

Agence France Presse Jan. 15

Amsterdam	Close	Prev.
ABN Bank	39.80	39.80
ACF Holding	38.80	38.80
Aegon	112.20	114
Ahold	126.20	126
Akzo	132.70	133.30
AMEV	68.40	69.30
A'Dam Rubber	5.70	5.70
Amro Bank	77.50	78.30
Bols	171.70	173
Buhrmann Tett	61.80	62
BVG	27.50	27.50
Center Parcs	59.30	59.20
CSM	78	78.80
DAF	37.30	37.20
DSM	118.40	118.20
Elsevier	87.60	87.30
Fokker	39.90	39.50
Gist-Brocades	28.90	28.70
Heineken	122.10	124.20
Hoogovens	75.50	76.20
Hunter Douglas	106.10	106
IHC Caland	36.60	36.70
Inter Mueller	100.50	103
KLM	45.60	45.30
KNP	49.60	49.20
Nat Neder	72.50	73.20
Nedlloyd	88.50	88.10
NMB Bank	49.20	49.70
Oce Grinten	282	286
Pakhoed	153	154.50
Philips	44.40	44.90
Robeco	102.70	105
Rodamco	78.20	78
Rolinco	103	103.80
Rorento	58.80	58.80
Royal Dutch	139.90	140
Unilever	154	156
Van Ommeren	36.50	35
VMF Stork	47.70	47.30
VNU	118	110.20
Wessanen	64.50	64.70
Wolters/Kluwer	45	45.10
CBS Gen'l Trend Index : 115.40		
Previous : 115.70		

Brussels	Close	Prev.
Arbed	5270	5350
Bekaert	16425	16650
Cockerill	196	198
Cobepa	5910	5950
Delhaize	5870	5940
EBES	4545	4540
GB-Inno-BM	1395	1400
GBL	4590	4595
Gevaert	8520	8420
Hoboken	20350	20700
Intercom	3700	3480
Kredietbank	4500	4550
Petrofina	12300	12375
Royal Belge	6800	6850
Soc Gen Baue	5810	5800
Sofina	14500	14500
Solvay	14675	14875
Tractebel	9550	9560
UCB	19650	19790
Unerg Ps	2550	2580
Current Stock Index : 6529.30		
Previous : 6597.42		

Frankfurt	Close	Prev.
AEG	318	321
Allianz Hold	2682	2680
Altana	412	418
Asko	825	826
BASF	304.80	309.80
Bayer	317.50	327
Bay Hypo bank	434	439
Bay Vereinsbk	408	357
BBC	692	690
BHF Bank	459	465
BMW	555	556
Commerzbank	306.50	310
Continental	322	325.70
Daimler Benz	874	874
Degussa	507	508
Dt Babcock	217	226
Deutsche Bank	841	849.80
Douglas	835	853
Dresdner Bank	429	437
Feldmuehle	575	578
Horpener	480	480
Henkel	579.50	578.50
Hochtief	1001	1002
Hoechst	295	300
Hoesch	297	295
Holzmann	1245	1270
Horten	351	355
IWKA	380	383
Kali Salz	207.50	208.50
Karstadt	682	687
Kaufhof	690	702
KHD	257	258.50
Kloeckner Werke	235.50	238.50
Krupp Stahl	245	246
Linde	896	890
Lufthansa	213.50	217
MAN	445	450
Mannesmann	362	363.50
Metallgesell	625	621
Muench Rueck	2540	2550
Nixdorf	319	324
PKI	575	575
Porsche	961	964
Preussag	398	394
PWA	325.50	332.20
RWE	443.50	443.50
Rheinmetall	363	360
Schering	813	806
SEL	392	398.80
Siemens	730.50	734.50
Thyssen	281	288.50
Varta	433	438
Veba	425	419.50
VEW	213	209
Viag	395.50	389.80
Volkswagen	552	559.80
Wella	684.50	685.50
DAX Index : 1841.41		
Previous : 1855.46		
FAZ Index : 769.50		
Previous : 776.71		

Helsinki	Close	Prev.
Amer A	150	150
Enso-Gutzeit	30.50	30
K.O.P.	45.50	47
Kymmene	100	99.80
Nokia	103	102
Pohjola	190	200
Stockmann	220	220
United Papers	117	117
Wartsila	460	440
Unitas Index : 621.10		
Previous : 626.18		

Hong Kong	Close	Prev.
Bk East Asia	17.80	18
Cathay Pacific	8.15	8.20
Cavendish Int'l	3.17	3.25
Cheung Kong	9.55	9.80
China Light Pwr	12	12.10
Dairy Farm Int'l	8.15	8.30
Hang Lung Dev	4.75	4.87
Hang Seng Bank	24.10	24.40
Henderson Land	6.25	6.25
HK Air Eng	19.90	20.70
HK China Gas	20.50	20.90
HK Electric	7.90	8
HK Land	7.85	8.05
HK Realty Trust	4.42	4.55
HK Shang Bank	7.20	7.30
HK Shang Htls	4.55	4.60
HK Telecomm	5.40	5.45
HK Ferry	3.05	3.20
Hutch Whampoa	8.35	8.50
Hysan Dev	1.21	1.22
Jardine Math.	23.30	23.90
Jardine Str Hld	13.90	14.30
Kowloon Motor	6.85	7
Mandarin Orient	4.65	4.75
Miramar Hotel	6.85	7
New World Dev	10.10	10.50
SHK Props	12.60	12.80
Stelux	2.47	2.25
Swire Pac A	15.60	15.80
Tai Cheung Prps	3.70	3.87
TVE	0.84	0.86
Wharf Hold	7	7.20
Wing On Co	6.85	7.10
Winsor Ind.	7.45	7.55
World Int'l	3.27	3.42
Hang Seng Index : 2786.49		
Previous : 2835.94		

Johannesburg	Close	Prev.
AECI	1875	1825
Altech	8250	8250
Anglo Amer Corp	13175	13000
Barlows	4850	4825
Blyvoor	1275	1250
Buffels	7100	7300
GFSA	10800	10500
Harmony	3425	3425
Highveld Steel	1550	1550
Kloof	4625	4600
Nedbank Grp	1720	1230
Rusplat	8825	8775
SA Brews	3225	3225
St Helena	4850	4700
Sasol	1380	1390
Welkom	N.Q.	2225
Western Deep	19850	19000
Composite Stock Index : 3239		
Previous : 3226		

London	Close	Prev.
Allied Lyons	5.12	5.09
Anglo Am Gld	41.87	41.87
AA Corp	N.A.	22.87
Asda-MFI Gp	1.16	1.18
Ass Brit Foods	4.07	4.12
Barclays	5.55	5.58
Bass	10.65	10.50
B.A.T.	8.22	8.25
Blue Circle	2.48	2.51
BOC Group	5.44	5.58
Boots	2.72	2.76
Bowater	4.59	4.58
BAe	5.55	5.67
BAA	3.75	3.79
Brit Airways	2.16	2.23
British Gas	2.25	2.30
BP	3.28	3.30
British Steel	1.38	1.36
Brit Telecom	2.96	3
BTR	4.38	4.32
Burmah Oil	6.60	6.60
Cable Wire	5.43	5.43
Cadbury Sch	3.57	3.46
Charter Cons	4.57	4.59
Comm Union	4.84	4.90
Cookson	2.85	2.80
Courtaulds	3.90	3.93
Dalgety	3.97	3.98
De Beers	18.12	18.37
Dixons	1.34	1.35
Driefontein	16.25	16.37
Eurotunnel	6.31	6.53
Fisons	3.33	3.36
Gen Acc F	11.45	11.49
GEC	2.35	2.33
GKN	4.40	4.22
Glaxo	7.63	7.75
Grand Met	6.27	6.20
Gt Univ Stores	14.38	14.50
GRE	2.41	2.44
Guinness	6.53	6.58
Hanson Tr	2.32	2.33
Hawker Sidd	6.92	6.96
ICI	11.41	11.49
Kingfisher	2.98	2.95
Land Sec	5.19	5.28
Legal Gen Grp	4.10	4.15
Lloyds Bank	2.96	4.42
Lonrho	3.14	3.18
Lucas Ind	6.48	6.58
Marks Sp	1.98	2.01
Maxwell	2.19	2.22
MB Group	2.17	2.18
Midland Bk	3.45	3.42
NatWest	3.47	3.46
Pearson Grp	7.30	7.35
P and O	6.45	6.42
Pilkington	2.32	2.33
Prudential	2.18	2.18
Racal Elec	2.27	2.33
Randfontein s	10.81	10.50
Rank Org	8.42	8.42
Reed Int'l	4.48	4.50
Reuters	10.17	10.35
Rolls Royce	1.88	1.89
Royal Dutch	43.87	44.87
RTZ	5.83	5.90
Saatchi	2.57	2.57
Sainsbury	2.60	2.60
Sears Holds	1.85	1.87
Shell	4.58	4.57
Skbeec	5.86	5.93
STC	2.46	2.48
Std Chart Bk	5.42	5.48
Storehouse	1.19	1.22
Sun Alliance	3.15	3.17
Tate and Lyle	3	3.03
Tesco	1.91	1.88
Thorn EMI	7.85	7.89
T.I. Group	4.34	4.37
Trafalgar Hse	3.68	3.48
THF	2.99	2.99
Ultramar	3.65	3.69
Unilever	6.75	6.80
Utd Biscuits	3.58	3.61
Vickers	2.06	2.09
Wellcome	7.56	7.58
Woolworth	61.75	63.20
F.T. 30 Index : 1894.90		
Previous : 1949.10		
F.T.S.E. 100 Index : 2346.30		
Previous : 2386.10		

Madrid	Close	Prev.
Bco. Bilbao/Viz.	774	748
Banco Central	945	945
Bco. Santander	711	723
Banesto	955	962
Dragados	N.Q.	—
Iberduero	N.Q.	—
Telefonica	N.Q.	—
S.E. General Index : 296.96		
Previous : 295.27		

Milan	Close	Prev.
Banca Comm	5450	5450
Bastogi	370	370
Ciga hotels	5500	5500
CIR	4800	4840
Cred Ital	2950	2975
Enimont	1630	1645
Eridania	8500	8490
Ferruzzi Fin.	3200	3240
Ferruzzi Agr.	2670	2692
Fiat SPA	11150	11245
Generali	41300	41400
IFI	23050	26200
Italcem	12850	12900
Italgas	3150	3145
Italmobiliare	20950	20920
Mediobanca	19000	19050
Montedison	2030	2073
NBA	2100	2010
Olivetti	7330	7300
Pirelli	2980	3005
RAS	26800	27050
Rinascente	8000	8000
Saipem	3008	2950
SIP	2550	2590
SME	4100	4130
Snia	2080	3030
Standa	34400	34900
Stet	5280	5210
Toro Assi Risp	21700	21800
a : x 100.		
MIB current index : 1022		
Previous : 1030		

Montreal	Close	Prev.
Alcan Aluminum	26⅛	26¼
Bank Montreal	30⅝	30¾
Bell Canada	45⅛	44⅝
Bombardier A	16¼	16¼
Bombardier B	15⅝	15⅝
Cambior	16	15⅝
Cascades	5	5
CB Pak	N.Q.	—
Dominion Text A	14⅜	15⅛
Donohue	10⅛	10⅛
MacMillan Bl	17⅛	17⅛
Memotec	10⅛	10⅛
Natl Bk Canada	11⅝	11⅝
Noverco	11⅞	11⅞
Power Corp.	15½	15⅝
Provigo	9⅝	9¾
Quebec Tel	15⅝	15¾
Quebecor A	15	14⅞
Quebecor B	12	13¼
Videotron	14	14¼
Industrials Index : 1617.45		
Previous : 1618.42		

Paris	Close	Prev.
Accor	685	678
Air Liquide	676	675
Avions Dassault	678	695
Bancaire (Cie)	632	631
BIC	752	780
Bongrain	3233	3300
Bouygues	620	612
BSN-GD	740	740
Carrefour	3571	3605
Cerus	441	445
C.G.E.	529	526
Chargeurs	N.Q.	—
Club Med	744	736
Dumez	880	885
Elf-Aquitaine	542	544
Europe 1	1075	1070
Gen. Eaux	2288	2290
Hachette	406.40	400
Havas	1483	1487
Imetal	308	315.10
Lafarge Coppee	394.50	395.40
Legrand	3545	3569
Oreal (L')	4855	4880
L.V.M.H.	5050	5090
Matra	371.50	373
Merlin Gerin	4921	4980
Michelin	171	170
Moulinex	138.40	139.10
Occidentale	768	773
Paribas	680	687
Pernod-Ricard	1478	1480
Perrier	1870	1816
Peugeot	771	771
Printemps (Au)	739	734
Radiotechnique	593	600
Raff. St. Louis	1612	1619
Redoute (La)	3380	3480
Roussel Uclaf	2220	2220
Saint Gobain	651	647
Sanofi	1079	1080
Skis Rossignol	1028	1044
Societ. Generale	517	518
Suez	470	469
Telemecanique	4500	4450
Thomson-CSF	149	146.50
Total	540	535
Valeo	820	N.Q.
CAC 40 Index : 1962.89		
Previous : 1986.65		

Sao Paulo	Close	Prev.
Banco do Brasil	9	10
Bradesco	1	0.98
Brahma	0.85	0.85
Paranapanema	0.54	0.58
Petrobras	48.50	45.50
Vale Rio Doce	141	137
Varig	9	9.85
Bovespa Index : 88,699		
Previous : 87,279		

Singapore	Close	Prev.
Cerebos	5.95	6.10
City Dev	3.72	3.82
DBS	11.80	12
Fraser Neave	9.30	9.55
Genting	8.65	9
Harrisons Plant	1.72	1.78
Haw Par	2.99	3.06
Hume	3.24	3.32
Inchcape	5.80	5.95
Keppel	6.90	7.05
KL Kepong	3.78	3.86
Lum Chang	1.80	1.86
Malayan Banking	8.75	9.15
OCBC	9.55	9.75
OUB	4.46	4.44
OUE	9	9.20
Sembawang	6.40	N.Q.
Shangri-la	9.70	9.90
Sime Darby	3.18	3.24
SIA	14.40	14.90
S'pore Land	13.50	12.70
S'pore Press	8.35	8.40
Sing Steamship	3.34	3.48
Straits Trading	3.74	3.80
UOB	5.80	6
United Overseas	2.17	2.29
Straits Times Ind. : 1525.54		
Previous : 1559.17		

Stockholm	Close	Prev.
AGA	267	270
Alfa Laval	265	254
Asea	749	755
Astra A	410	418
Atlas Copco	312	318
Electrolux B	297	305
Ericsson	920	929
Esselte-A	230	225
Handelsbanken	121	121
Pharmacia-A	224	224
Norsk Hydro	170	170
Saab-Scania	N.Q.	—
Sandvik	322	322
SCA-A	136	142
S-E. Banken	87.50	88
Skandia Int-A	250	250
Skanska	592	593
SKF	162	168
Stora	327	340
Volvo	440	452
Affaersvaerlden : 1344.50		
Previous : 1367		

Sydney	Close	Prev.
ANZ	6.04	6.10
BHP	9.80	9.98
Bond	N.Q.	—
Boral	3.82	3.95
Bougainville	1.40	1.45
Coles Myer	8.40	8.40
Comalco	4.15	4.25
CRA	17.20	17.50
CSR	3.54	3.64
Dunlop	5.20	5.44
Elders IXL	2.26	2.22
ICI Australia	6.20	6.22
Magellan	1.45	1.45
MIM	2.40	2.50
Nat Aust Bank	6.56	6.76
News Corp	13.95	14.35
N Broken Hill	2.85	2.97
Poseidon	2.88	2.75
QCT Resources	1.56	1.58
Santos	4.20	4.30
TNT	2.80	2.87
Western Mining	6.50	6.62
Westpac Banking	5.44	5.76
Woodside	3	3.20
All Ordinaries Index : 1682.15		
Previous : 1712.70		

Market Closed

The stock market in Tokyo was closed Monday for a holiday.

Toronto	Close	Prev.
Abitibi Price	13⅛	13
Agnico Eagle	10½	10¼
Air Canada	11⅛	11⅛
Alberta Energy	19⅛	19⅛
Am Barrick Res	28⅜	28
BCE	30⅝	31⅛
Bk Nova Scotia	15⅝	15
BC Gas	43⅝	43⅞
BC Phone	18⅞	18⅞
BP Canada	20⅞	20
Bramalea	21⅞	21⅞
Brunswick	11⅛	11⅛
CAE	8⅝	8⅝
Campeau	5⅛	5⅛
CIBC	N.Q.	—
Canadian Pacific	25	25⅜
Can Packers	17⅛	17½
Can Tire A	23⅞	23⅞
Cantor	26⅝	26⅝
Cara	18	18
CCL Ind B	9⅝	9⅞
Cineplex	7⅜	8
Cominco	26⅜	26⅝
Conwest Expl A	N.Q.	14⅜
Corona A	11⅛	11
Denison Mln B	4.40	4.60
Dickenson Mln A	6⅞	6⅞
Dofasco	22⅛	22⅞
Dylex A	N.Q.	—
Echo Bay Mines	22⅝	22⅞
Equity Silver A	4.15	4.20
FCA Intl	10⅜	10⅝
Fed Ind A	13	13
Fletcher Chall A	15⅛	15⅛
FPI	6⅛	6⅝
GoldCorp	5⅛	5⅛
Grafton Group	N.Q.	—
Gulf Cda Res	14⅛	14⅛
Hees Intl	29⅛	29⅛
Hemlo Gld Mines	19⅛	19⅛
Hollinger	11⅛	11⅛
Horsham	17⅛	17⅛
Hudson Bay	8⅛	8⅛
Imasco	26⅛	26⅛
Inco	28⅝	29⅛
Interhome	44⅛	44⅛
Jannock	19⅛	19⅛
Labatt	24⅛	24⅛
Loblaw Co	15⅛	15⅛
Mackenzie	8⅛	8⅝
Magna Intl A	7⅛	7
Maritime	18	18⅛
Mark Res	10⅛	10⅛
MacLean Hunt X	17⅛	17⅛
Molson A	39	39
Noma Ind A	11⅛	12⅛
Noranda	N.Q.	—
Noranda Forest	13⅛	13⅛
Norcen Energy	25⅛	26
Nova Corp	7⅛	7⅛
Oshawa	32	32
Pagurian A	8⅛	8⅛
Placer Dome	23⅛	22⅛
Poco Petroleum	9⅛	9⅛
PWA Corp	14⅛	14⅛
Quebec Sturgeon	1.35	1.30
Rayrock	10⅛	10⅛
Renaissance	24⅛	24⅛
Rogers B	105	102⅛
Rothmans	48⅛	N.Q.
Royal Bank Can	48⅛	48⅛
Royal TrustCo	16⅛	17⅛
Sceptre Res	4.85	4.80
Scott's Hosp	15	N.Q.
Seagram	107⅛	102⅛
Sears Can	11⅛	12
Shell Can	41⅛	41⅛
Sherritt Gordon	9⅛	9⅛
SHL Systemhse	11	10⅛
Southam	31⅛	31⅛
Spar Aerospace	8⅛	8⅛
Stelco A	20⅛	20⅛
Teck B	27⅛	27⅛
Thomson News	16	15⅛
Toronto Domn	22⅛	N.Q.
Torstar B	34⅛	34⅛
Transalta Util	13⅛	13⅛
TransCda Pipe	17	17⅛
Triton Fnl A	20⅛	20⅛
Trimac	6⅞	7
Trizec A	23⅛	23
Turbo Resources	0.48	0.47
Unicorp A	4.85	4.90
Woodward's Ltd	2.50	2⅛
TSE 300 Index : 3873.50		
Previous : 3904.30		

Zurich	Close	Prev.
Adia Intl	1905	1920
Alusuisse	1386	1400
Bank Leu	3275	3275
Brown Boveri	5390	5420
Ciba Geigy	3740	3790
CS Holding	2580	2610
Elektrow	3060	3090
Fischer	1990	1990
Interdiscount	4310	4375
Jacobs Suchard	6910	7000
Jelmoli	2250	2300
Landis Gyr	1560	1565
Moevenpick	5250	5250
Nestle	9090	9180
Oerlikon-B	850	855
Pargesa Hld	1675	1710
Roche Holding B	3705	3740
Sandoz	7345	7365
Schindler	5450	5460
Sulzer	572	575
Surveillance	4450	4630
Swissair	1230	1220
SBC	331	329
Swiss Reinsur	612	620
Swiss Volksbank	1775	1800
Union Bank	4075	4120
Winterthur	4400	4500
Zurich Ins	1990	2020
SBS Index : 663.30		
Previous : 670.80		

The Global Newspaper.



Sea Containers Agrees to Deal

Suitors Will Buy Most of the Company for $1.1 Billion

Compiled by Our Staff From Dispatches

LONDON — The takeover battle for Sea Containers Ltd. appeared to have been settled Monday, as the bidders for the transportation concern agreed to buy most of the company for about $1.1 billion in cash and stock, ending a pursuit of nearly eight months.

Temple Holdings Ltd., jointly owned by Stena AB of Sweden and Tiphook PLC of Britain, said it has irrevocably offered to acquire the dry cargo and tank container business, Sealink British Ferries and related ships and port facilities from Sea Containers.

Stena would buy Sealink British Ferries with ships and port facilities, excluding Isle of Wight service, Hoverspeed and some other assets, for $430 million plus its 838,098 Sea Containers shares, while Tiphook would buy Sea Containers's marine dry-cargo container and chassis business, tank-container leasing and forwarding business for $537 million.

Temple had been offering $1.12 billion for all of Sea Containers.

In New York, Sea Containers said its president, James B. Sherwood, was prepared to recommend acceptance of the offer, subject to certain clarifications and an acceptable contract.

Among the conditions of the offer, Temple said a definitive purchase pact be arranged and that Sea Containers not go through with current plans to sell assets to Itel Corp. and Genstar Container Corp. Those sales had been undertaken as defensive efforts against the bid.

Analysts said the deal means Sea Containers's management will lose control of 80 percent to 90 percent of its business.

In May, Tiphook and Stena launched a $50-a-share bid for all of Sea Containers. The offer was gradually raised to $70 in December, valuing Sea Containers at $1.12 billion.

Sea Containers's stock sank to the $63 range on the New York Stock Exchange in trading on Monday afternoon.

Following the purchases, Stena would become Europe's biggest ferry operator, and Tiphook would be the world's second-biggest container-leasing company, after Itel.

Part of the sale agreement includes the dropping of legal actions among the companies.

Temple said the Stena cash payment would be reduced dollar-for-dollar by any debt liability for the vessel Fantasia that it would assume.

It said the Stena deal would also be subject to Sea Containers entering into a noncompetitive agreement throughout Northwest Europe on shipping operations for 10 years, except on routes of the Isle of Wight and Isle of Man services and on ferries of over 30 knots.

(Reuters, AFP)

French Ad Agency Bids For KLP of Britain

Reuters

LONDON — The British advertising agency KLP Group PLC announced Monday that the French agency RSCG SA had made a friendly £32.1 million ($53.6 million) cash bid for it.

KLP said RSCG's British subsidiary had received acceptances of 17.4 percent of the British concern's ordinary shares. The bid follows the unsuccessful attempt last year by Boulet Dru Dupuy Petit of France to take over Boase Massimi Pollitt Partnership of Britain.

Britain's 10 Principles For Securities Industry

Reuters

LONDON — Britain's securities watchdog, the Securities and Investments Board, published on Monday a draft of its 10 broad principles aimed at simplifying its complex maze of rules.

The 10 principles are as follows:

- A firm should observe a high standard of integrity and fair dealing in the conduct of its investment business.
- A firm should act with due skill, care and diligence in the conduct of its investment business.
- A firm should comply with high standards of market conduct with any code or standard which has been issued or endorsed for the purpose of this principle by the firm's regulator.
- A firm should seek from customers any information about their circumstances and investment objectives which might be expected to be relevant in enabling it to fulfill its responsibilities to them.
- A firm should take reasonable steps to ensure a customer is given sufficient and comprehensible information to enable him to make informed investment decisions.
- A firm should avoid conflicts of interest, or if conflicts arise, should ensure fair treatment to all its customers.
- Where a firm has control of, or is otherwise responsible for, assets belonging to a customer, it should arrange proper protection for them.
- A firm should ensure it maintains adequate financial resources to meet its investment business commitments and to withstand the risks to which its business is subject.
- A firm should organize and control its internal affairs in a responsible manner, and, where the firm employs staff or is responsible for the conduct of investment business by others, should have adequate arrangements to ensure they are suitable.
- A firm should cooperate in an open and honest manner with its regulator.

Mitterrand Urges Action On Bank

United Press International

PARIS — President François Mitterrand, opening negotiations on the formation of an East European development bank, on Monday urged representatives of 34 nations to move quickly in order to keep up with the pace of history.

"If we do not move quickly, we would run the risk of being overtaken by events," Mr. Mitterrand told the opening session of the working conference on the European Bank for Reconstruction and Development.

He said the role of the bank would be to "promote investment in Central and East European nations, reduce financial risks, facilitate the transition to market economies and accelerate structural transformations."

The bank, proposed by Mr. Mitterrand and endorsed by the European Community, would help with the economic restructuring and modernization of East European countries that have embraced democratic principles.

As the conference opened, differences remained over the nature of the future bank, with the United States in favor of limiting it to financing private-sector projects, diplomatic sources said. Most Europeans favor keeping the bank open to state-run projects as well, the sources said.

■ EFTA Proposal to EC

Prime Minister Ingvar Carlsson of Sweden on Monday proposed a timetable for a new institutional framework for closer cooperation between the six-nation European Free Trade Association and the European Community.

Officials in Brussels said that Mr. Carlsson proposed to the EC Commission that the basic outlines of a framework should be agreed upon in the first half of this year.

Investor's Europe

Frankfurt Commerzbank	London F.T. 100 Index	Paris C.A.C. 40
A S O N D J 1989 1990	A S O N D J 1989 1990	A S O N D J 1989 1990

Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	CBS General	115.60	118.70	-2.61
Brussels	Stock Index	6529.30	6577.00	-0.73
Frankfurt	Commerzbank	2269.00	2268.50	+0.02
Frankfurt	DAX	1841.61	1855.83	-0.77
Helsinki	UNITAS	631.10	626.00	+0.81
London	Financial Times 30	1896.90	1940.50	-2.25
London	FT-SE 100	2366.20	2417.90	-2.14
Madrid	General Index	290.96	296.16	-1.76
Milan	MIB	1023	1031	-0.78
Paris	CAC 40	1962.89	1992.89	-1.51
Stockholm	Affaersvaerlden	1244.50	1265.20	-1.64
Zurich	SBS	663.30	674.00	-1.59

Source: Datastream, AFP — International Herald Tribune

Three European Companies Link to Run Tanker Fleets

Reuters

AMSTERDAM — Three European companies — the Dutch shipper Nedlloyd Bulk BV, Fearnley & Eger of Norway and Ceres Chemical Tankers of Britain — have pooled their deep-sea tanker businesses in a new operating company, Seachem Tankers Ltd., Nedlloyd announced Monday.

Nedlloyd Bulk, a wholly owned subsidiary of Koninklijke Nedlloyd Groep NV, said in a statement that Seachem would operate a combined fleet of 22 tankers of between 30,000 and 40,000 deadweight tons.

Seachem will be based near London.

A spokesman for Nedlloyd said the company would bring in four tankers; Fearnley, a unit of Kosmos AS of Norway, would contribute two; and Ceres would make up the balance.

The Nedlloyd spokesman said the three companies would retain ownership of their ships, while Seachem Tankers would be in charge of the fleet's commercial and operational management.

Nedlloyd, Ceres and Fearnley each own one-third of Seachem.

The fleet will be used for shipping chemicals, edible oils, caustic soda and clean petroleum products on intercontinental routes.

Suez Unit To Acquire Kooijman

Reuters

AMSTERDAM — Banque de Suez Nederland NV, a subsidiary of Compagnie Financière de Suez of France, will launch a public offer of 30 guilders ($15.81) per share for a Dutch stockbroking company, Kooijman Effectenkantoor NV, Suez and Kooijman officials said at a press conference Monday.

The bid values Kooijman at 44 million guilders. Trading in Kooijman stock was halted Thursday on the Amsterdam stock exchange, ahead of a statement on Friday saying that Suez might bid for it. Kooijman stock last traded at 21 guilders.

Following the takeover, Kooijman's activities would be merged with the equity business of Banque de Suez Nederland in a new company, to be called Suez Kooijman NV.

■ AGF Increases Stake

The French state-owned insurer Assurances Générales de France has 20.07 percent of the holding company Pechelbronn, after breaching the 20 percent level on Jan. 3, the French Stock Exchanges Association said Monday, Reuters reported from Paris.

The association said AGF had advised that it had acted alone and did not intend to take control of Pechelbronn, which has interests in insurance, food and real estate.

Strong British Retail Sales Spark Inflation Fears

Compiled by Our Staff From Dispatches

LONDON — Britain's consumer spending spree roared ahead in December, despite government efforts to halt the boom through high interest rates, official figures showed on Monday.

The volume of retail sales rose by 2.2 percent in December, way above market forecasts of around 0.2 percent.

The report revived fears of higher inflation and drove prices of British government securities, or gilts, to record lows on the London International Financial Futures Exchange. March gilts, the most active month, fell to 89 8/32, the lowest since their launch on the exchange in November 1982.

The government has been battling since mid-1988 to bring spending under control and cut the inflation rate, now standing at 7.7 percent, its highest level for four months and still close to its recent peak of 8.3 percent in the middle of last year.

Some economists said the chancellor of the Exchequer, John Major, may have to raise bank base interest rates even higher than their current 15 percent in order to slow the economy, but they warned that this in turn could tip Britain into a recession.

"If he really wants to get inflation under control, he's probably got to risk a recession," said Roger Nightingale, economist at the Smith New Court brokerage, of the chancellor's options.

Nigel Richardson at Warburg Securities said, "It means that despite high interest rates, the consumer is not dead. A week ago we were discussing when rates might go down. Now the question is: will they have to go up again?"

Dealers said the inflationary implications of the figures were countered by news of a 0.6 percent fall in manufacturers' input prices in December.

The government's statistics office said the retail-sales figures were exceptionally high because many shops had brought forward their annual sales from January to December. *(Reuters, AFP)*

Soviet Unrest Could Hit Oil Supplies

Reuters

LONDON — Prolonged strife between the Soviet republics of Armenia and Azerbaijan could affect oil supplies because the southern Soviet Union is a major supplier of oil-field equipment for Siberia.

However, world oil markets were taking a relaxed view Monday of the unrest, mainly because the heavier grades of oil that the Soviet Union produces are easily obtainable from the Middle East.

It might be a different story if unrest threatened a source of light, gasoline-rich "sweet" crude of the kind from the North Sea, or if weather in the northern hemisphere had not turned warmer.

"Basically, the market wants sweet crude at the moment," said Russ Hill, a London oil trader.

Peter Gignoux, a director of Shearson Lehman Hutton Inc., said the problem was trying to assess events throughout the Soviet Union. "We have a limp market today," he said. "But if Europe had a jolt of Arctic air, people might start to panic."

The Soviet Union is the world's largest producer of oil, with output of about 12 million barrels daily. It exports nearly 2 million barrels, making it what the chairman of Shell Transport & Trading PLC, Sir Peter Holmes, calls "a fairly big balancing factor at the margin."

But production from around Baku, in Azerbaijan, including the flow from offshore wells in the Caspian Sea, accounts for not much more than 250,000 barrels per day.

"It was the first big oil region in the Soviet Union," said Jonathan Stern of Britain's Royal Institute of International Affairs. "It was terribly important in World War II, but it is dwarfed now by western Siberia."

Mr. Stern said that a proportion of the Caspian output was refined and used locally in Azerbaijan and Armenia.

A bigger problem might be that Baku, in Azerbaijan, is the site of seven factories that manufacture oil-field equipment. The International Petroleum Encylopedia says that the area accounts for 60 percent of all such equipment made in the Soviet Union.

"It would not be good if that production were stopped for a long time," Mr. Stern said.

Rune Castburg, a Soviet energy expert at Norway's Fridtjof Nansen Institute, agreed that such a shutdown "would be very serious for the whole Soviet oil industry."

Analysts say Baku is so important as a source of equipment that, during a 1986 drive to boost Soviet oil output, western Siberia sent its own quality control officials to the Azerbaijan factories.

The Kremlin is now shifting investment out of high-cost oil production into consumer goods, so that Soviet oil and refined-products exports to the West have already slipped by more than 10 percent from a 1988 record of 2.2 million barrels per day. The Paris-based International Energy Agency sees a drop in 1990 of about 100,000 barrels per day.

Traders say that the market has probably discounted a further decline. But any dramatic fall would likely boost world prices and would at least offset excess supply from the Organization of Petroleum Exporting Countries.

Racing on Oil, Norway's Trade Surplus Soared in 1989

Reuters

OSLO — Norway's trade surplus soared by more than 1,000 percent to 42.74 billion kroner ($6.6 billion) in 1989, from 3.73 billion in 1988, spurred by high oil exports, the Central Bureau of Statistics said Monday.

Oil exports surged 76 percent to 59.58 billion kroner in 1989, from 33.68 billion in 1988. The center-right government, which came to power three months ago, plans to raise oil production to record highs in 1990, at about 1.7 million barrels per day. In the second half of last year, production averaged 1.55 million barrels per day.

Earnings from oil, supported by rising prices and output, rose to 59.58 billion kroner from 33.68 billion kroner.

Norway is Western Europe's second-largest oil producer, trailing only Britain. On a per capita basis, the North Sea oil boom, dating from the 1970s, has made Norway one of the richest nations in the world.

Despite rising exports, the government reckons that economic growth will slow to 1.2 percent in 1990 from 2.3 percent last year, weighed down by high unemployment.

The value of all exports increased in 1989 to 180.2 billion kroner, from 140.4 billion.

■ Sweden Revises Bank Rules

The Swedish Finance Ministry said Monday that it would, in principle, allow foreigners to take majority stakes in Swedish banks beginning July 1, Reuters reported from Stockholm.

A ministry spokesman said foreigners would still need to apply to the government and could be refused permission if the deal was not compatible with Swedish interests.

A ministry statement said, "There may be reason to keep a dominant ownership within Sweden — at least when it concerns the larger banks."

NYSE

Monday's 3 p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
44¾	41½	TmW pfD		–	–	3887	43	42½	42⅝	– ⅛
45	32¾	TmMir	1.08	3.1	14	777	35⅝	35	35⅛	– ½
39⅛	25½	Timken	.92	3.1	9	222	29½	29¼	29½	+ ⅛
3⅝	1¾	Titan		–	–	24	2⅛	2⅛	2⅛	–
10	8⅛	Titan pf	1.00	10.7	–	5	9⅜	9⅜	9⅜	– ⅛
8⅝	1⅝	vlTodSh		–	–	137	4½	4⅜	4⅜	–
25⅝	18⅝	vlTdS pf		–	–	167	18½	18½	18½	–
25	17¼	Tokhem	.56	2.8	25	292	20¼	19⅞	20¼	–
28	25⅜	TolEd pf	2.81	10.4	–	38	27	26⅞	27	–
26⅛	22⅝	TolEd pf	2.36	9.6	–	5	24⅝	24⅝	24⅝	–
23½	20¼	TolEd pf	2.21	9.4	–	3	23½	23½	23½	+ ⅛
22	20⅜	TolE adpf	2.29e	10.7	–	10	21⅝	21½	21½	– ⅜
5⅞	2⅞	TollBro		–	8	25	3⅝	3¼	3⅝	–
22⅞	9	Tonka		–	8	473	11⅛	10⅞	11⅛	–
38½	25	ToolRl	.23b	.7	17	71	35½	34⅞	34⅞	– ⅞
58⅝	38⅝	Trchmk	1.40	2.7	15	337	52	51¼	51¼	– ½
26	18⅝	Toro	.48	1.9	13	168	25½	25⅛	25½	+ ⅛
26⅝	17¼	Tosco s	.60	2.7	16	751	22⅝	22⅛	22½	– ⅜
29⅞	17¼	TotlSys	.07e	.3	39	3	28	27⅞	27⅞	– ¼
40⅝	24½	ToyRU s		–	27	2414	37⅝	37	37½	– ⅜
8	4⅛	Tramel	.98e	21.8	–	154	4⅝	4⅜	4½	+ ⅛
17⅞	15⅝	TWA pf	2.25	14.3	–	92	15⅝	15½	15⅝	+ ⅛
48	32⅝	Transm	1.92	4.5	10	634	42⅝	42	42¼	+ ¼
24½	20¼	TranInc	2.16	9.2	11	24	23⅝	23⅜	23½	– ⅛
15⅝	10⅞	TrCda g	.68	4.6	–	210	14¾	14⅝	14⅝	– ⅛
8	4¼	Trnscon	1.69e	36.5	–	8	4⅝	4⅝	4⅝	–
50⅜	35⅝	Transco	1.36	3.0	–	708	45⅝	44½	44⅝	– ⅞
54⅝	47⅝	Trnsc pf	4.75	9.3	–	9	51¼	51	51¼	–
13½	3¼	TranEx	9.85c	–	4	249	3⅝	3⅝	3⅝	–
3½	⅞	Transcn		–	–	52	2⅛	2	2	–
7⅞	2½	TrnRly	.40	11.4	–	56	3⅝	3½	3½	–
20	10⅞	TrnsTec	.96	8.0	22	129	12	12	12	– ⅛
45	35	Travler	2.40	6.6	9	918	36⅜	35⅞	36¼	+ ⅛
17⅞	12⅞	Tredgr n	.24	1.6	–	78	14¾	14⅝	14⅝	+ ⅛
29⅝	17¾	TriCon	3.39e	15.2	–	396	22⅝	22⅜	22¼	– ⅜
63½	36⅞	Tribune	.88	2.0	14	666	43⅝	43½	43⅝	– ⅛
46	28⅝	Trinty	.80	2.7	12	362	30⅝	29⅞	30⅛	+ ⅜
30⅝	21	Trinova	.68	2.8	23	3133	24⅝	24⅝	24⅝	– ⅛
16⅝	10⅝	TritonG		–	–	5	11½	11½	11½	– ⅛
18	12⅞	TritEng	.10b	.6	22	199	15¾	15⅝	15⅝	– ⅛
25⅞	19⅝	TritE pf	2.00	8.7	–	8	22⅞	22⅞	22⅞	– ⅛
20	16⅝	TucsEP	1.60	9.0	–	998	18	17⅝	17⅝	– ⅜
14⅝	8⅝	Tultex	.36	4.2	15	362	9	8⅝	8⅝	+ ⅛
14⅞	9⅝	Turk n	.03e	.2	–	1110	14⅝	14⅜	14⅝	+ ⅜
35	27½	TwinDs	.90	3.9	8	1	23¼	23¼	23¼	–
59⅝	32¼	TycoLb	.32	.6	19	441	50⅛	49⅝	49⅝	– 1¼
9	6⅛	Tyler n	.08	1.0	–	27	8⅝	8¼	8⅛	– ⅛
		U-V								
204	111½	UAL Cp		–	8	2495	163	156½	158⅞	– 1⅞
28⅛	22½	UDC pf	3.75	14.8	–	4	25⅜	25¼	25⅜	+ ⅛
27	17⅝	UDC	2.40a	10.2	6	39	23⅝	23½	23½	– ⅛
25⅝	20⅜	UDC pf		–	–	40	22⅝	22	22	– ½
40⅝	28⅝	UGI	2.25	6.1	12	83	37¼	37	37⅛	–
29⅝	18	UJB Fn	1.16	6.7	6	488	17⅞d	17¼	17⅜	– ⅜
9⅞	4⅝	UNCInc		–	5	1034	4⅝d	4¼	4½	– ¼
51⅝	26⅝	UNUM	.60	1.2	13	515	48½	47⅝	48¼	– ⅜
34	28¾	USFG	2.80	9.6	27	1011	29½	29⅛	29¼	+ ⅛
48½	40⅝	USFG pf	4.10	9.4	–	8	43⅝	43½	43⅝	+ ⅛
7⅝	2⅝	USG		–	4	389	4⅝	4½	4½	–
25⅝	22½	USLICO	1.80	4.3	8	37	23⅝	23⅜	23½	– ⅜
31¼	19⅝	UST	.92	3.4	17	1476	27¼	26⅞	27	– ½
37½	30⅝	USX	1.40	4.0	11	4491	35⅛	34½	34⅝	– ¼
12¼	7⅛	Ultimte		–	19	63	8⅛	7⅞	7⅞	– ¼
24	14¼	UniFst s	.12	.5	20	33	23⅝	23⅝	23⅝	+ ¼
48¾	33½	Unilevr	1.21e	2.7	14	460	45⅝	45¼	45⅝	– ⅛
86	58⅝	UniNV	2.08e	2.5	15	463	81¼	80½	81¼	–
41⅞	34¼	UnCmp	1.48	4.0	8	1759	38⅛	37¼	37¼	– ⅞
33¼	22⅝	UCarb	1.00	4.5	5	7448	22⅝d	22⅜	22⅜	– ½
21⅞	12½	UnionC		–	13	123	19⅝	19⅜	19½	+ ⅜
28⅞	23	UnElec	2.08	7.5	12	1646	28	27¾	27¾	– ⅛
48	40	UnEl pf	4.00	8.8	–	z10	45½	45½	45½	– ½
92	84⅝	UEl pfL	8.00	8.9	–	z650	90¼	90¼	90¼	+ 2¼
92	81	UEl pfM	8.00	8.9	–	z1000	91½	90	90	–
19½	13⅝	UnExp	1.82e	9.5	20	139	19¼	19	19⅛	+ ⅛
81	63¼	UnPac	2.32	3.1	13	664	76	75½	75⅝	+ ⅜
15⅝	10⅝	UPlntr s	.48	4.5	21	108	10⅝d	10½	10⅝	– ½
18⅝	10½	UnTex	.20	1.1	12	458	17¾	17⅛	17⅝	– ⅛
30½	12⅝	Unisys	1.00	6.9	–	3116	14⅝	14¼	14½	+ ⅛
54¼	31	Unisy pf	3.75	10.3	–	325	36⅝	36	36⅝	+ ⅜
3⅝	2	Unit		–	–	128	3½	3⅜	3⅜	– ⅛
21½	13⅝	UAM	.36	1.9	21	185	18¾	18⅝	18¾	–
17⅞	12⅝	UBrand	.20	1.2	9	4	17	17	17	–
34¼	24⅝	UIllum	2.32	7.6	5	633	31¼	30⅝	30½	– ½
23⅝	20	UIlu pr	2.20	9.6	–	z200	23	23	23	+ ½
15⅝	10⅝	UnitInd	.64	5.8	13	98	11⅛	10⅞	11	– ⅛
11½	8½	UKing	.59e	5.8	–	389	10¼	9⅞	10⅛	– ¼
5⅝	1⅝	UtdMM		–	–	61	2	1⅞	1⅞	– ⅛
2⅛	1⅛	UPkMn		–	–	40	1½	1⅜	1½	+ ⅛
54⅝	30⅝	UsairG	.12a	.4	23	1408	30⅝d	30⅛	30⅛	– ⅜
2⅛	1	USHom		–	–	320	1½	1⅜	1⅜	–
27½	16⅝	USShoe	.46	2.3	17	534	20⅛	19⅝	19⅝	– ¼
61¼	30⅝	US Surg	.80	1.5	21	185	53⅝	53	53⅛	– ⅜
81	56⅝	USWest	3.76	5.2	13	2229	72½	71⅝	72	– ⅜
57⅞	48⅝	UnTech	1.60	3.1	10	3213	52½	51⅞	52⅛	– ½
43⅝	22	Unitel s	1.00	3.0	26	4880	34⅛	33⅝	33⅝	– ½
17⅞	15⅝	UWR	.88	5.6	20	88	15⅞	15⅝	15⅝	– ¼
8⅝	4⅝	Unitrde		–	70	100	5⅝	5½	5⅝	–
17⅞	12½	Univar s	.30	2.3	11	16	13¼	13⅛	13⅛	– ⅜
39	33¼	UnvlCp	1.48	4.4	10	95	33⅝	33½	33½	– ⅜
26¼	21¾	UnvFd s		–	15	273	23⅝	23⅜	23⅝	+ ¼
14⅝	11⅛	UnvHR	1.48	11.1	11	319	13½	12⅞	13⅜	+ ½
8½	4⅝	UMatch		–	–	29	5	5	5	–
4½	1⅝	UnvMed	.04e	2.8	–	86	2⅛	2⅛	2⅛	–
31¼	19½	Unocal s	.70	2.6	–	3132	27¼	26¼	27⅛	– ⅛
42⅝	27⅝	Upjohn	1.08	2.7	18	6641	37⅝	36¼	36⅝	+ ½
48⅛	36⅛	USLIFE	1.48	3.6	10	476	41½	40⅞	41⅛	– ⅜
9⅝	8½	UslfeF	.92	9.9	–	4	9¼	9¼	9¼	– ⅛
22⅝	17½	UtilCo	1.44	6.6	11	161	21⅞	21⅝	21¾	+ ⅛
26⅝	23⅝	UtilCo pf	2.44	9.3	–	8	26¼	26¼	26¼	+ ⅛
23½	19¼	UtilCo pr	1.77	7.5	–	55u	23⅝	23½	23½	–
38⅝	28⅝	VF Cp	1.00	3.2	12	295	31⅝	31	31¼	– ¼
8⅝	4⅛	VMG n	1.20	22.4	–	197	5⅜	5	5⅛	–
18¼	11⅞	Valhi	.20	1.1	16	395	17⅝	17½	17½	– ⅜
19⅝	9	Valero	.10e	.6	14	587	15⅝	15⅝	15½	– ⅛
28⅛	26⅝	Valer pf	3.44	12.7	–	5	27⅛	27⅛	27⅛	–
22⅛	14⅞	VoiNG	2.50	14.8	88	113	16⅞	16¼	16⅞	+ ⅜
19⅝	13⅝	VanDrn	.60	3.9	17	15	15⅝	15½	15½	+ ⅛
18¼	8⅝	VKmpM	.68	7.2	–	324	9½	9⅜	9½	–
10⅝	7⅛	VKMT	1.12e	14.7	–	79	7⅝	7½	7⅝	–
12⅞	12	VKMI n		–	–	30	12⅛	12	12	–
12⅛	8½	VKML n	.97e	11.4	–	107	8⅝	8½	8½	–
26	24	VKmL pf		–	–	62	25½	25⅜	25⅜	– ⅛
7½	3⅝	Varco		–	93	420	6½	6¼	6½	+ ¼
30⅝	19⅝	Varian	.26	1.2	14	301	21⅛	20⅝	21	–
3⅝	2	Varity		–	9	5433	2⅝	2⅝	2⅝	–
22⅝	16⅛	Varity pf	1.30	6.5	–	219	20	19¾	19⅞	– ⅛
14	12	VestSe	1.20a	8.8	11	16	13⅝	13⅝	13⅝	–
6¼	⅞	Vestrn		–	–	188	⅞d	¾	¾	– ⅛
28⅝	13¼	Vishay		–	12	388	17¼	17	17	– ½
56⅝	36⅝	VistaCh	1.80	4.9	4	250	37	36⅝	36⅝	– ½
32	23	Vivra n		–	–	224	26	25⅝	25½	– ½
3⅝	1⅛	VolCC		–	–	60	1⅝	1½	1⅝	+ ¼
23⅝	11⅞	Vons		–	–	298	18½	18	18	– ⅝
126½	110½	Vornad		–	27	3	110½	110½	110½	– ½
48½	41	VulcM s	1.12	2.5	13	198	45	44⅝	45	+ ⅜
		W								
25½	19⅝	WICOR s	1.40	5.9	10	37	23⅝	23⅝	23⅝	+ ⅛
15	5⅝	WMS		–	30	90	10¼	10	10⅛	– ¼
26⅞	21⅞	WPL H s	1.60	7.2	14	95	23½	22¼	22⅝	– ⅛
28	9⅝	Wabash n		–	–	2975	10⅝	10	10	– ⅛
27⅝	17	Wackht	.40	2.4	18	46	25¾	25⅜	25½	– ⅛
11¼	6⅛	Wainoc		–	48	419	10½	10⅛	10⅛	– ⅛
47⅝	31	WalMrt	.22	.5	26	5562	44⅝	43½	44	– ½
50¼	32¼	Walgrn	.80	1.8	17	855	44	42¾	42¾	– ¾
31½	21	WalCS s	.45	1.5	16	110	29⅝	29¼	29¼	– ⅛
7½	4⅝	WmCat	.32f	5.8	16	63	5⅝	5⅝	5½	– ⅛
112¾	74¾	WarnrL	3.04	2.7	19	1317	111¼	110⅞	110⅞	– 1½
32½	23⅝	WashGs	1.56	6.9	12	157	29⅝	28⅝	28⅝	– ⅜
29⅝	24	WshNat	1.03	4.2	–	105	26⅛	26	26	– ⅛
31⅛	26	WshWt	2.48	8.2	11	226	30½	30¼	30⅜	– ⅛
36¼	25⅝	Waste s	.32	1.0	22	9091	33⅛	32¼	32⅜	– ⅝
27¼	18⅛	WatkJn	.48	2.6	7	23	18⅝	18⅛	18⅛	–
11	6⅞	Waxmn	.12	1.5	10	227	8⅛	7⅞	8	–
5½	1½	WeanU		–	–	35	4⅛	4	4⅛	–
15⅝	7⅛	WebbD		–	–	556	9⅝	9¼	9¼	– ⅜
3⅝	⅞	Wedgtn		–	–	10	1½	1½	1½	– ⅛
32⅞	25⅛	WeinRl	1.88	6.2	30	49	30⅝	30⅛	30½	– ⅛
15⅝	10⅛	Weirt n	.32e	2.8	–	64	11⅝	11½	11½	–
37½	28⅝	WelsMk	.56	1.9	16	73	30⅛	29⅞	30⅛	– ⅛
43	19½	Welmn s	.12	.4	19	702	33	32½	32½	– ⅛
87½	60⅝	WellsF	3.60	5.1	7	2660	71⅝	70⅝	70⅝	– 1⅛
39	33⅝	WelF pf	3.39e	9.0	–	12	34⅝	34⅝	34⅝	–
7	4½	Wendys	.24	5.5	14	1292	4⅝d	4⅜	4½	–
22⅝	14⅝	West	.40	2.2	14	25	18⅝	18½	18½	– ⅛
58¼	32⅝	WtPtPa	.32e	1.0	13	52	32⅛d	31¼	31¼	– ⅝
18⅞	13½	WstctE g	.80	–	17	2	18	18	18	–
15	5⅝	WCNA		–	–	556	13⅝	13½	13⅝	–
16¼	12⅝	WtGs pf	1.80	11.6	–	7	15⅝	15½	15½	– ⅛
13⅝	11½	WstGR n		–	–	319	11⅝d	11¼	11⅜	– ⅛
21⅝	20¼	WstMn n		–	–	242	23⅝	20½	20⅝	+ ⅜
2⅞	⅝	WUnion		–	–	1459	⅞	⅝	¾	– ⅛
43¼	5⅝	WUn pfA		–	–	80	8⅛	8	8	–
16	2⅞	WUn pfB		–	–	50	3⅝	3½	3½	– ⅛
76¼	52⅝	WstgE	2.43	3.3	12	2178	73¼	72¼	72⅝	– ⅜
22⅝	17⅞	Wstac n	2.02e	9.1	–	54	22⅛	22	22⅛	–
26⅞	25¼	Wstpc pf	.70e	2.7	–	49	26⅛	26⅛	26¼	+ ⅛
33⅝	26⅞	Wstvco	1.00	3.5	8	420	29⅛	28⅝	28⅞	– ⅛
32⅝	25⅛	Weyerh	1.20	4.6	9	2532	26⅛	25⅝	25⅞	– ⅛
40⅝	34½	Weyer pr	2.62	7.0	–	2	37⅛	37⅛	37⅛	– ⅛
42⅞	32⅝	WhlbT n		–	–	549	36⅛	35⅝	36	– ⅛
16¼	8⅛	vlWhPit		–	–	70	10	9⅞	9⅞	– ⅛
30	19¼	vlWhPit pf		–	–	z10	20	20	20	– ⅜
33½	25⅛	Whirlpl	1.10	3.5	17	573	31⅝	31⅛	31⅛	+ ⅛
17¼	10⅞	Whittld		–	–	68	13⅝	12⅞	13⅛	– ⅛
37⅝	27⅛	Whitmn	1.02	3.3	16	1750	27⅝d	27	27	– ⅛
13½	7⅝	Whittk n		–	2	516	8	7⅞	8	– ⅛
3⅞	⅝	Wilfred		–	–	40	1	1	1	–
20½	12⅝	WilcxG s	.19	.7	12	199	14⅝	14⅜	14⅜	– ⅛
44¼	29⅝	William	1.40	3.9	–	1956	36⅝	35½	35⅝	– 1⅛
61⅝	49⅝	Wilm pf	3.57	6.7	–	2	57⅝	57½	57½	– ⅜
9	7⅛	Windmr		–	5	2445	7⅛d	6¾	7	– ⅛
65	44	WinDix	1.92	3.4	17	464	58⅝	58⅛	58⅜	–
9⅝	4½	Winnbg	.29	3.7	–	53	5⅝	5⅛	5⅜	–
32⅝	25⅛	WiscEn	1.66	5.5	12	232	30⅛	30	30⅛	–
24⅞	20½	WiscPS	1.62	7.0	11	60	23⅝	23	23	– ⅛
45⅞	34⅞	Witco	1.72	4.7	10	116	36⅝	36⅝	36½	– ⅛
15⅝	10⅝	WolvrW	.16	1.4	10	122	11⅝	11½	11½	– ⅜
72¼	48⅞	Wolwth	1.88	3.1	13	1225	61⅝	61¼	61⅝	– ⅜
15½	5⅞	WrldCp		–	10	144	14⅛	13⅝	13⅝	– ⅛
19¼	16⅝	WrldVl	1.61e	8.6	–	55	19	18⅝	18⅝	– ⅛
57	36	Wrigley	.80a	1.6	19	157	51⅝	50⅝	51⅝	– ⅛
11⅞	7⅝	WylaLb	.28	2.7	17	50	10⅝	10⅛	10½	– ⅛
28	22	Wynns	.60	2.7	10	21	23⅛	22⅝	22⅞	– ⅛
12¼	4½	Wyse		–	–	291	9⅝	9⅝	9⅝	+ ⅛
		X-Y-Z								
69	54⅝	Xerox	3.00	5.4	15	827	56	55½	55⅝	– ⅜
49	44½	Xerox pf	4.12	8.6	–	25	48	47	48	+ ⅛
44⅛	23½	XTRA	.72	2.8	21	60	26⅛	25⅝	26	+ ⅛
33	21⅜	XTRA pf	1.94	8.6	–	410	22⅝	22½	22½	–
4⅛	2⅛	Zapata		–	–	379	2⅝	2⅝	2⅝	–
12⅝	7⅞	Zemex	.20	2.5	–	13	8⅛	8	8	– ⅛
21½	11½	ZenithE		–	–	271	12⅝	12⅝	12⅝	– ⅛
21½	16⅛	ZenNtl	.84	4.6	8	131	18⅛	18	18⅛	+ ⅛
10	6½	Zenix	1.08	15.7	–	178	7⅛	6⅞	6⅞	– ⅛
18½	13⅝	Zero s	.40	2.5	15	119	16	15⅝	15⅝	– ⅛
44¼	25⅛	Zurnin	.76	1.9	19	371	41⅝	40⅝	40⅞	– ⅜
12⅝	10	Zweig	1.21e	10.2	–	905	12	11⅝	11⅞	– ⅛
10	8⅝	ZweigTl	.96	9.8	–	1121	9⅝	9⅝	9⅝	–

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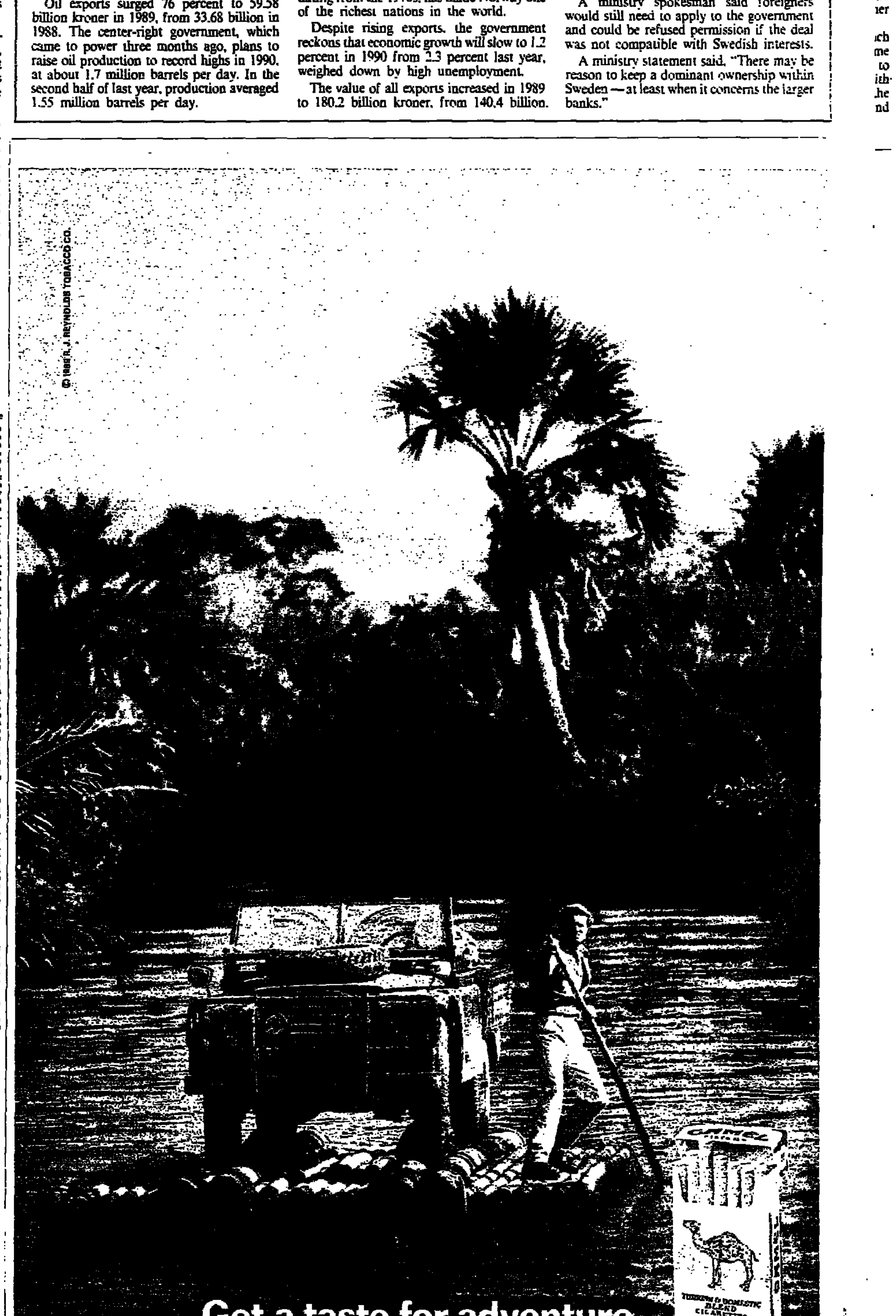
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erald INTERNATIONAL Trib
Published With The New York Times and The Washington Post
Edited in Paris TUESDAY, JUNE 10, 1989 Printed in New York

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Strikers Seek Huge Pay Rises in Peru and Brazil

Reuters

LIMA — Two major South American nations were facing tough labor problems on Monday.

In Peru, workers at the giant state mining concern Centromin Peru SA began an indefinite strike for wage increases.

In Brazil, meanwhile, workers at the state-controlled petroleum company Petrobas voted for an indefinite strike, also starting Monday.

Leon Chaca, deputy secretary general of the 15,000-member Centromin workers union, said the strike began as of the first shift of the morning. A Centromin official said the strike shut the metals refinery and the smelter at La Oroya. He said he did not know what the effect of the strike was at other units.

Company sources said they expected slight to moderate support for the walkout in its first days.

If it drags on, the strike could cut deeply into production at Centromin's network of mines, metals plants and railroads across the central highlands, they said.

Centromin is Peru's biggest zinc, lead and silver producer.

A nationwide miners' strike in August drew moderate support at Centromin's units in its first days.

The 15,000-member Centromin union is demanding a 217 percent wage increase, which it says would only begin to compensate for Peru's four-digit annual inflation rate.

Management offered an 88 percent wage increase in talks last week, sources at the workers' union said. The union refused the offer and vowed to go ahead with the strike, they said.

Centromin units include the giant Cerro de Pasco zinc, lead and silver mine and the smelter at La Oroya. Its only large copper facility is the Cobriza mine in Huancavelica.

Cerro's output between January and October 1989 totaled 109,695 tons of zinc, or more than half of Centromin's overall production of 185,318 tons of zinc for the same period, according to the authoritative Peru Report.

Peru's January-September silver production totaled 41.98 million ounces, of which Centromin accounted for 9.63 million ounces, according to trade figures published in the business newsletter Carta Minera.

In Brazil, all 19 chapters of the national petroleum workers union voted to approve the indefinite strike, a union official said.

A strike organizer said the action could only be called off if Petrobras agreed to pay its 60,000 employees nationwide a 64.8 percent pay raise. The cash-strapped firm had offered workers 21.47 percent last week.

Petrobras has a total of 60,151 employees, with salaries ranging from the equivalent of $55 a week for production workers to about $925 a week for executives, a Petrobas spokesman said.

Petrobras has 49,857 workers in production and 10,294 administrative personnel. The strike would be mostly among production workers, but some lower-level administrative employees, such as secretaries, could participate.

The unions said the raise was to compensate workers for losses during wage-and-price freezes in 1987 and 1989. The freezes were part of the government's unsuccessful efforts to control Brazil's 1,765 percent inflation rate.

Brazil is the second-biggest gasoline supplier to the United States. Markets there reacted nervously. In Brazil itself, shortages were likely soon.

Koor Freezes Payments on All Its Debt

Reuters

TEL AVIV — Koor Industries, the troubled Israeli company, suspended all payments on its $1 billion debt on Monday, and the chairman, Arnon Gafny, resigned in protest at plans to sell the group.

A company spokesman said the Koor board decided to suspend payments of interest and principal to local and foreign creditors until its next meeting on Jan. 24.

Mr. Gafny announced his resignation before the meeting, saying: "Because discussion of the recovery plan has been suspended, because of the shortage of cash and the talk of selling the concern instead, I no longer see myself in a position to remain as chairman of the board."

Koor employs some 20,000 Israelis in activities ranging from cement and steel to food-processing, electronics and telecommunications.

The trade union-owned conglomerate owes about $1 billion to Israeli and foreign banks and has requested additional write-offs of $125 million from its foreign creditors.

Foreign banks declined in December to agree to further write-offs.

Third World Loans Cited in Chase Loss

United Press International

NEW YORK — Chase Manhattan Corp. said Monday it posted a $655 million loss for 1989, mainly the result of provisions to cover doubtful loans to Third World borrowers.

In the final three-month period, Chase said its earnings fell 36.4 percent, to $175 million from $275 million in the fourth 1988 quarter.

For the year Chase, parent company of Chase Manhattan Bank, said its loss resulted mainly from a $1.26 billion addition to loan-loss reserves in the third quarter.

That special charge included $1.15 billion in provisions for losses on Third World loans, a $126 million provision to cover the real estate loan losses of an Arizona subsidiary, and $38 million to restructure Chase's unsuccessful international securities trading business.

The loss for 1989 compared with net 1988 earnings of $1.06 billion.

The decline in fourth-quarter income reflected the collection, recorded in the 1988 fourth quarter, of $365 million in interest on extensions of certain Brazilian loans, Chase said. The bank used $25 million in tax benefits in the fourth quarter, against $60 million in the year-ago quarter.

Chase's balance sheet showed total medium- and long-term loans to developing nations totaling $5.7 billion, down from $6.7 billion in 1988. The company wrote off Third World loans totaling $706 million in 1989.

Chase Manhattan Corp. is the second-largest U.S. bank holding company with assets of $107.37 billion.

In Chicago, First Chicago Corp. announced fourth-quarter earnings of $122.9 million, down 10.5 percent from net income of $137.3 million in the year-ago quarter.

Full-year earnings for the corporation, parent company of the First National Bank of Chicago and American National Bank, were $358.7 million, down from $513.1 million. The company also added to Third World loan provisions.

■ Merrill Considers Cuts

Merrill Lynch & Co. may reduce its work force by 3,000 jobs over an extended period of time, an executive said, but added that there was no specific target and plans were subject to change.

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Principal assets of the Corporation currently include controlling interests in Clark Oil & Refining Corporation and American Barrick Resources Corporation.

For Further Information, Contact:

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Shearson Says Tax Gains To Make Period Profitable

Reuters

NEW YORK — Shearson Lehman Hutton Holdings Inc., the big U.S. investment house, said Monday that it expects to report fourth-quarter net income between $1 million and $5 million, chiefly because of tax benefits.

In the final quarter of 1989, Shearson reported a loss of $13 million. For the whole of 1989, the company said, it is expecting a profit of $107 to $111 million, up from $96 million the year before.

However, on a pretax basis, Shearson said it expects to report a fourth-quarter loss of $7 million to $13 million, compared with a loss of $17 million the year before. It said the net income would include tax benefits for the 1989 quarter due to the resolution of tax issues, the use of tax-loss carryforwards and foreign earnings not subject to current tax.

The company said its earnings for the fourth quarter will reflect higher commissions and revenue from market making and principal transactions, despite the slowdown in investor activity that followed the Oct. 13, 1989, market fall and uncertainty in junk-bond markets.

Separately, Shearson announced that it had agreed to sell $75 million of cumulative convertible voting preferred stock to Hellman & Friedman Capital Partners and Hellman & Friedman Capital Partners International, affiliates of the private investment banker Hellman & Friedman, as part of its previously announced plan to boost capital by $850 million.

The company said in the remainder of the plan, it expects to publicly offer 20 million common shares in the next few weeks and issue another $75 million of preferred stock and $150 million of subordinated capital notes "shortly."

The preferred will have one vote per share and Hellman & Friedman will be entitled to nominate one director to the Shearson board.

CAMPEAU: *Units Seek U.S. Bankruptcy Protection*

(Continued from page 1)

mediate debt of financially complex companies like Campeau will have to pay varying rates of interest to account for different classes of risk.

Analysts compared the Campeau bankruptcy to the Chrysler Corp. and International Harvester Co. troubles, which signaled disaster in the U.S. rust belt in the early 1980s. Just as those two companies were seen as examples of firms that had not kept up with innovation and modern methods, Campeau was seen as the exemplar of the 1980s' financial excesses.

"There are going to be defaults of this kind in the next few years of the decade. The market expects them," said Mr. Ross, who heads Salomon's junk-bond analysts. Many of the leveraged buyouts, he warned, do not have the same potential to recover as did Chrysler and International Harvester, now part of Navistar International Corp.

Wall Street also expected that Washington would now move belatedly to curb the takeover wave after it had peaked and thus stop worthwhile mergers. "When the cops come, they take the good girls, too," lamented Mr. Shilling.

■ Decision Made Sunday

The decision to file for Chapter 11 protection was made late Sunday by the boards of Campeau and its Federated Department Stores Inc. and Allied Stores Corp. subsidiaries, which operate 260 stores in the United States, including Bloomingdale's, Rich's, Jordan Marsh and Lazarus, The Associated Press reported.

It is the biggest Chapter 11 filing in American retailing history and reflects Campeau's inability to pay off $8 billion in debt, much of it acquired when the Canadian parent purchased the two U.S. subsidiaries in the mid-1980s.

The filing, in the U.S. Bankruptcy Court in Cincinnati, followed weeks of speculation in the retail trade over how Campeau would deal with the problems of operating its chains while continuing to pay suppliers.

"The decision to seek Chapter 11 relief was based on a conclusion that action was required at this time in order to preserve the operations' strength and assets of the two department store companies while the corporate debt is restructured," Campeau said in a statement.

Carol Sanger, a Campeau spokeswoman, said the U.S. bankruptcy judge, J. Vincent Aug, had not issued any orders about appointment of trustees or set court hearings. Under Chapter 11, companies get a reprieve from creditor bills and can continue operations while reorganizing their finances. But all decisions regarding the companies must be approved by a bankruptcy judge.

In addition to the Chapter 11 filing, the companies announced on Monday that they had negotiated further bank financing to cover their current cash needs.

Federated said it had an agreement in principle with a bank syndicate led by Citibank for $400 million in financing, while Allied had a similar agreement from Chemical bank for $300 million. Both are subject to agreement by the syndicates and approval by the bankruptcy court.

A number of analysts have said a Chapter 11 filing could benefit Federated and Allied, by reassuring suppliers that they would get paid.

BLIND: *Spanish Group Building Corporate Clout With Lottery Income*

(Continued from first finance page)

"surgical operation" to take over the presidency of the seven-member board because Mr. Sánchez Ruipérez was holding back progress at the station.

Telecinco, one of three stations licensed by the government last year to break the state's 33-year-old monopoly, is legally required to begin broadcasting by April 3. Mr. Berlusconi said he has invested $20 million in equipment and that broadcasting would begin a month before the deadline.

After storming out in the middle of the shareholders' meeting, Mr. Sánchez Ruipérez said that Anaya was considering legal action against its partners. Press reports said Anaya also charged that Mr. Medrano had paid for his stake in Telecinco with a check from ONCE's coffers.

Mr. Duran said the check was an advance payment for part of the 800 million pesetas ONCE had agreed to pay Mr. Medrano for rehabilitating its offices in Badajoz. He also denied charges that ONCE and Mr. Berlusconi had awarded a contract to Mr. Berlusconi's Spanish advertising firm, Publiespaña SA, without conferring with other shareholders.

Finally, he coolly riposted to an allusive putdown in which Mr. Sanchez Ruiperez told the news agency EFE that his boardroom opponents were "flailing about like blind men." Mr. Duran replied, "I may be blind, but I'm not accustomed to flailing."

The Telecinco affair, with a stake in Spain's lucrative television market in the balance, was a spectacular battle. But it was not Mr. Duran's first.

A 34-year-old lawyer who was blinded as a baby when doctors in his small town failed to diagnose meningitis in time, Mr. Duran is typical of the young, blind professionals who have run ONCE since organizing and winning its first democratic elections in 1982.

Before then the group, founded during the Spanish Civil War to give jobs to the country's indigent blind, was run by an aging group of conservatives who kept ONCE afloat during the Franco years.

Under its new managers, ONCE boosted ticket sales from 39 billion pesetas in 1982 to more than 189 billion pesetas in 1987.

They first made headlines in November 1987, when ONCE simultaneously launched a new weekly ticket offering a 100 million peseta prize — the *cuponazo*, or big ticket — and pressured the government into cracking down on an illegal lottery run by the physically handicapped.

Spurred by the cuponazo's popularity, ONCE's street-corner sales force rang up to 23 percent more in sales the following year. The salespeople earn an average of 140,000 pesetas a month, more than double the legally mandated minimum wage.

The money, after prizes and 5.2 billion pesetas in property- and value-added taxes, was pumped back into the organization: 75 billion pesetas in wages and pensions, 8 billion to Fundacion ONCE for projects to aid the blind, 4 billion in special schools and scholarships.

Savings for pensions now total 26 billion pesetas.

But the ONCE's managers had more in mind than just building up the lottery sales. They wanted to diversify.

On Jan. 13, 1989, Mr. Duran announced that ONCE had spent 3.9 billion pesetas for a stake in Grupo Construcciones y Contratas SA, or Grucysa, a leading constructing company. That date also marked the group's first foray into equity: before then, all its investments had been fixed-income.

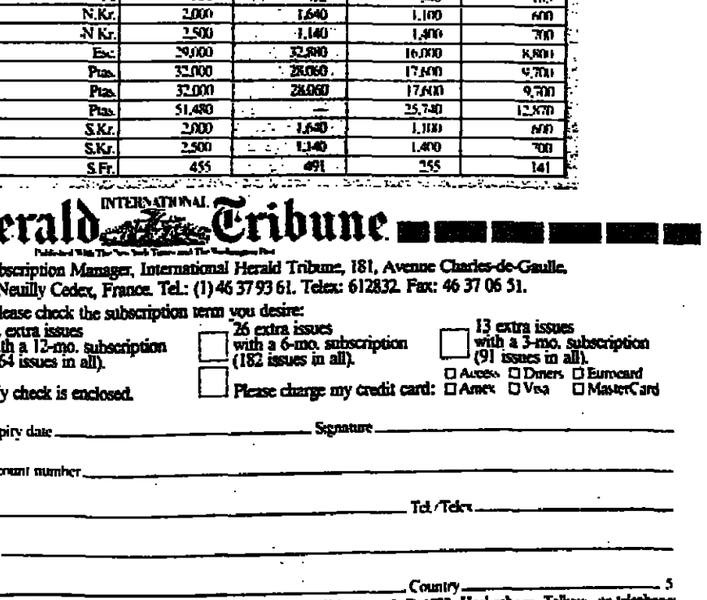
Since then, ONCE has bought 0.28 percent of Banco Bilbao Vizcaya for 2.3 billion pesetas and 0.8 percent of Banco Central for 3.5 billion pesetas, as well as a series of smaller holdings.

The investments and boardroom involvement have drawn plenty of criticism, especially when ONCE seemed ready last year to take sides — and a bigger stake — as a planned merger of Banco Central and Banco Español de Credito became one of Spain's messiest corporate failures.

But while the government puts a ceiling on the lottery earnings of ONCE, which is the only nongovernment entity allowed to run one, Mr. Duran bridles at suggestions the organization cannot make decisions in its own best interests.

"Our society is still excessively compartmentalized," Mr. Duran wrote in a recent newspaper commentary. "The bullfighting business must be preserved for bullfighting impresarios; finance for the financiers."

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Hong Kong Money Looks to New Worlds

By Sheryl WuDunn
New York Times Service

HONG KONG — After enjoying extremely rapid growth, many large Hong Kong companies are looking elsewhere for new sources of profits. But instead of going north to China, as they used to, many are reaching far in other directions.

In December, New World Hotel (Holdings) Ltd. completed its $540 million purchase of the U.S. hotel chain owned by Ramada Inc., and Jardine Matheson Holdings Ltd. acquired a U.S. insurance concern, Financial Guardian Group, for an amount that local reports have estimated at about $70 million.

In the past, large local companies expanded mainly in Hong Kong, feeding off an exuberant local economy. The move abroad is partly the result of a natural transition for family-run companies that have built their empires so large that there is no longer room for them in Hong Kong.

But it also comes as the British territory of 5.7 million people prepares to revert to Chinese rule in 1997. There are rising political uncertainties over China and fears of further and greater instabilities, especially after the upheavals that have taken place in Eastern Europe.

China's austerity program is stunting growth on the mainland and the economy in Hong Kong has slowed as well.

While Hong Kong's giant companies are by no means abandoning their home, they say that they must look overseas, as many other corporations in Asia are doing, for new sources of earnings.

"Asian companies are diversifying for a variety of reasons," said Stephen A. Orlins, president of Shearson Lehman Hutton Asia Holdings Ltd. in Hong Kong. "Hong Kong companies are diversifying for very much the same reasons, plus the reason of 1997."

The flow abroad may lead to a more mature and diversified economy for Hong Kong, less dependent on the Chinese market that now sustains it. Nearly one-third of Hong Kong's total trade was with China in the first 10 months of 1989, and stock prices of Hong Kong companies fluctuate on news from China.

Hong Kong's expansion overseas has been growing for several years, but interest and activity in investing abroad has blossomed especially in the last year or two.

At least a dozen more companies are considering a move abroad, OCBC Securities (Hong Kong) Ltd. reports.

Among their leaders is Sir Yue-kong Pao, the industrialist and shipowner who is one of the most closely watched and richest Hong Kong investors. He has made a variety of foreign acquisitions, including the purchase of Omni Hotels Group in the United States in 1988.

In another highly publicized deal, Semi-Tech Microelectronics (Far East) Ltd., bought Singer Sewing Machine Co. for $269 million in April 1989.

Like many corporate giants, New World Hotels, one of the largest hotel developers in the territory, is reaching out to both Asia and the United States and at the same time expanding in Hong Kong.

This summer, it opened two deluxe hotels here, and they have already become popular meeting spots for the well-to-do.

"We make money from Hong Kong," said Henry K.S. Cheng, managing director of New World. "But if we want to expand, how can we do it?

"We must go out of Hong Kong, and our aim is to establish an international chain of hotels based in Hong Kong," he said in an interview, explaining why the company bought Ramada.

New World is mindful of the economic and political strains in China, where it has hotel interests.

"If I told you that absolutely no political factors entered into it, that would not be a fair statement," Mr. Cheng said. "But we have to go overseas anyway. The political risk just makes us move quicker."

The largest deals have been related to property or hotels, but analysts say that is to be expected, because it is easier to evaluate the risk in buying real estate or a hotel chain if it is the company's specialty, and real estate has always been a popular purchase among Hong Kong corporations.

Michael E.J. Sadak, a managing director of mergers and acquisitions at Chase Manhattan Asia Ltd., said many Hong Kong companies have relatively little debt on their balance sheets. This gives them capacity to borrow, if need be, to finance overseas acquisitions.

"Many of them have been family-oriented, well known in Hong Kong, but relatively unknown in the international market," Mr. Sadak said. "One challenge they face is to raise their international profile, so they are viewed in the proper light."

As more and more Hong Kong people move overseas, there has been greater speculation that a good deal of capital is going with them. While the government has no way of tracking capital flight, economists and financial officials agree that there is probably a significant outflow.

"You can't put a figure on it," said Joseph C.K. Yam, deputy secretary for monetary affairs in Hong Kong. "But it would be unrealistic to say that residents haven't moved capital overseas."

Foreign Acquisitions

1987

HongKong & Shanghai Banking Corp.
Completed acquisition of 100 percent of Marine Midland Bank in U.S. for an undisclosed price.
Acquired 14.9 percent of Midland Bank in Britain for an undisclosed price.

Dickson Concepts Ltd.
Acquired S. T. Dupont and distribution network for $53 million in October. Based in France, STD makes pens.

1988

Semi-Tech Microelectronics (Far East) Ltd.
Acquired Consumer Distributing Co. Ltd., which has stores on the East Coast, for $110 million in May.

WOH Corp.
Purchased Omni Hotels for an undisclosed price at an unspecified date. WOH is 50 percent owned by Wharf (Holdings) Ltd, Sir Y. K. Pao's empire.

1989

Semi-Tech Microelectronics (Far East) Ltd.
Completed acquisition of Singer Sewing Machine Co. in April, at an estimated cost of $269 million.

New World Hotels (Holdings) Ltd.
Completed acquisition of Ramada Inn hotel chain in December for $540 million.

Jardine Matheson Holdings
Purchased Financial Guardian Group of the United States in December. The cost was not disclosed but has been estimated at $70 million.

Sources: Jardine Matheson, OCBC Securities (Hong Kong) Ltd.

U.S. Creditors Issue 21-Day Ultimatum to Bond Corp. Breweries

Reuters

MELBOURNE — The U.S. trustee for $510 million in notes issued by the Australian breweries of Bond Corp. Holdings on Monday gave the company 21 days to repay the notes in full, plus a missed interest payment on them.

The lawyer of U.S. Trust Co., Doug Graham, told the Victorian Supreme Court it had served Bond Brewing Holdings with a formal notice demanding repayment of the notes and a $32.19 million interest payment.

Failure to pay could lead to a petition to wind up Bond Brewing, he said.

Bond Corp., the conglomerate created by Alan Bond, is fighting in the court to overturn the appointment of receiver-managers to the breweries. It launched another action on Friday to lift a stop-payment order put on the interest payment by the breweries' bankers.

One of the receivers, David Crawford, told the court the receivers paid another group of noteholders $8.98 million in interest on Friday from Bond Brewing operating funds.

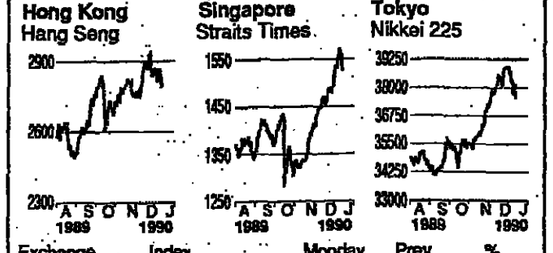
This group holds $121.5 million debentures issued by the brewing group's Swan Brewery Co.

In another development, FAI Insurances Ltd. has agreed to extend the period in which it will be paid by Bond Corp. for the Emu Brewery site in Perth, Mr. Crawford said.

■ New Zealand Investment

The New Zealand brewing company, Magnum Corp., a 72 percent-held unit of Brierley Investments Ltd., said it had bought 50 percent of two Australian liquor chains, Reuters reported from Wellington.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	2786.69	2855.52	-2.41
Singapore	Straits Times	1525.54	1566.07	-2.59
Sydney	All Ordinaries	1681.70	1695.50	-0.81
Tokyo	Nikkei 225	Closed	38170.13	-
Kuala Lumpur	Composite	571.99	592.90	-3.53
Bangkok	Book Club	782.13	782.87	-0.09
Seoul	Composite Stock	883.04	903.27	-2.24
Taipei	Weighted Price	10867.64	10134.97	+7.23
Manila	Composite	1076.51	1107.78	-2.82
New Zealand	Barclays	1987.51	2016.58	-1.44
Bombay	National Index	419.84	425.71	-1.38

Source: Datastream, Reuters, AFP International Herald Tribune

New Zealand Inflation Slows Slightly

Reuters

WELLINGTON — New Zealand's rate of inflation slowed in the fourth quarter of 1989, but it is still likely to remain above a 7 percent annual rate, economists said on Monday.

The fourth-quarter consumer price index data is due to be released on Wednesday. Forecasts for the quarterly figure range from 1 percent to 1.8 percent, but many economists expect a rise of about 1.3 percent, which would bring annualized inflation up to 7.3 percent.

Inflation jumped sharply to 7.2 percent in the 12 months that ended Sept. 30, from 4.4 percent in the 12-month period ended June 30. In the third quarter of 1989 alone, inflation jumped 3.5 percent — much of it due to a 2.5 percentage-point increase in the goods and services tax last July.

The government and independent analysts have had divergent forecasts for inflation over the past few months, especially following the rise in the goods and services tax. The Institute of Economic Research, a private body, predicts that prices will jump 1.8 percent in the fourth quarter, for instance.

Malaysia Lifts Reserve Requirement

Reuters

KUALA LUMPUR — Malaysia will raise on Tuesday the statutory reserve requirements for banks and finance firms in a bid to slow inflation, the central bank said.

The proportion of liquid funds deposited with Bank Negara will rise to 6.5 percent of total eligible liabilities from 5.5 percent, Bank Negara said.

Malaysia is experiencing a heavy inflow of funds because of a surge in foreign investment. In October, Bank Negara made a similar move aimed at mopping up excess funds, raising the reserve requirement by one point to 5.5 percent.

The increase in the statutory reserves will absorb 890 million ringgit ($329.7 million) from the banking system, the bank said.

"Excess liquidity in the financial system will be significantly reduced, thereby removing any undue pressures on inflationary expectations and the trend of interest rates," Bank Negara said.

■ Bangkok Bank Lifts Net

Bangkok Bank Ltd.'s net earnings per share increased sharply in 1989, to 4.2 billion baht ($164 million) from 3.13 billion baht the year before, Reuters reported from Bangkok. The bank's total assets advanced to 413.2 billion baht, from 350.8 billion baht.

Ericsson Signs Beijing Mobile Phone Accord

Reuters

HONG KONG — The Swedish telecommunications company L. M. Ericsson AB and the Hong Kong-based mobile-telephone operator Pacific Link Communications Ltd. signed Monday an agreement to build a new mobile-telephone network in Beijing.

The two companies said they had signed an agreement with China's Ministry of Post and Telecommunications, which will operate and manage the network, and China National Postal & Telecommunication Appliances Corp.

The mobile-telephone network will comprise nine cell sites and will double mobile-telephone capacity in Beijing.

China's Financial Woes Jolt Other Economies in Region

The Associated Press

TOKYO — China's financial woes and political upheavals have crimped the booming economies of some other Asian countries, which may be cautious about renewing economic ties with Beijing.

China lifted martial law last week, a move seen as an attempt to end Western sanctions. The announcement received a lukewarm welcome in most world capitals.

Japan, Hong Kong and Taiwan all have suffered trade reverses with China in the past year. Japanese investment in China is off, and business confidence has been shaken by the prospect of continued political strife, analysts said.

Japanese business leaders said they hope China's situation will stabilize and Tokyo will proceed with a five-year program to lend $5.7 billion to China.

Commenting on the ending of martial law, Kazuo Haruna, chairman of Marubeni Corp., one of Japan's leading trading companies, was quoted as saying, "I felt quite relieved at the news because the Chinese economy could get worse if Western sanctions against China last for long."

Sueo Kojima, a China researcher at the Japan External Trade Organization, said the frozen loans were the key for Japanese businesses.

"Now all our companies are waiting for the loan package because otherwise China doesn't have money to pay for imports."

Seoul Investments Abroad Rose 93% in Value in 1989

Reuters

SEOUL — South Korea approved 369 investment projects abroad worth $927 million in 1989, up from 253 projects worth $480 million in 1988, a funding gain of 93 percent, Bank of Korea officials said Monday.

Companies established or strengthened investments abroad because of a stronger won and rising wages at home, and to counter rising trade protectionism, the officials said. The investments included projects in China, the Soviet Union and Hungary.

The manufacturing sector, with $452 million, accounted for about half of all investments abroad last year. Investments in trade-related projects amounted to $168 million, while agriculture, technology, transport, hotels, fisheries and services totaled $307 million.

Seoul approved investments worth $434 million in the United States and Canada; $276 million in Southeast Asia; $76 million in Central and South America; $72 million in Western Europe; $46.5 million in Hungary; $14 million in China; $500,000 in the Soviet Union; and the rest in Australia and Africa.

Reporting on another economic sector, the Korea Automobile Manufacturers' Association said car exports plunged 41.7 percent in 1989, but domestic sales rose 45.8 percent.

They said five local carmakers sold 335,861 cars and trucks abroad last year, down from 475,915 in 1988. The five sold 763,308 units at home last year, up from 523,531 in 1988.

North Korea Says Socialism Is Still the Way

Agence France-Presse

TOKYO — North Korea ended a series of economic talks by calling for the best use of its limited resources to break out of industrial and agricultural stagnation and uphold socialism its "own way."

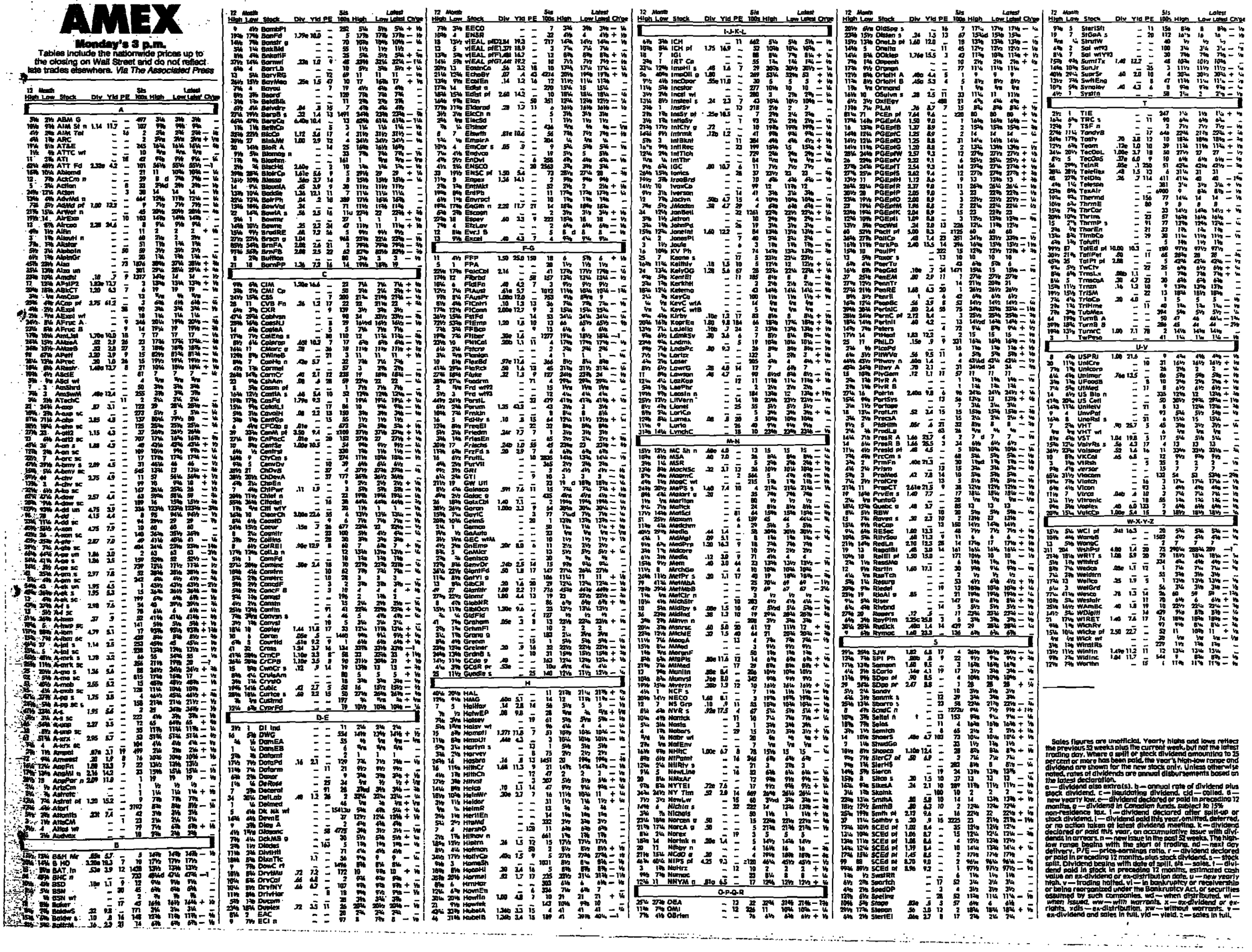
A four-day national agricultural conference closed on Saturday after demonstrating the "superiority of the socialist agricultural system," the Korean Central News Agency said.

The committee set a goal of "self-reliance to build socialism better our own way with our own strength, technology and economic foundations," the newspaper of the ruling Workers Party reported.

AMEX

Monday's 3 p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*



Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s). b — annual rate of dividend plus stock dividend. c — liquidating dividend. cld — called. d — new yearly low. dd — dividend declared or paid in preceding 12 months. e — dividend in Canadian funds, subject to 15% non-residence tax. i — dividend declared after split-up or stock dividend. j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k — dividend declared or paid this year, on accumulative issue with dividends in arrears. n — new issue in the past 52 weeks. The high-low range begins with the start of trading. nd — next day delivery. P/E — price-earnings ratio. r — dividend declared or paid in preceding 12 months, plus stock dividend. s — stock split. Dividend begins with date of split. sls — sales. t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u — new yearly high. v — trading halted. vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd — when distributed. wi — when issued. ww — with warrants. x — ex-dividend or ex-rights. xds — ex-distribution. xw — without warrants. y — ex-dividend and sales in full. yld — yield. z — sales in full.

SPORTS

Mayotte and Sánchez Ousted in Opening Round

Compiled by Our Staff From Dispatches

MELBOURNE — Skinny, stoop-shouldered Pete Sampras of the United States, a man-child in tennis shorts, stole the show Monday on the first day of the Australian Open.

Sampras, an 18-year-old Californian with the poise of a veteran, upset sixth-seeded Tim Mayotte, 7-6 (8-6), 6-7 (5-7), 4-6, 7-5, 12-10, in

AUSTRALIAN OPEN

a 4-hour, 45-minute match that upstaged opening-round victories by defending champions Ivan Lendl and Steffi Graf.

Emilio Sánchez, the seventh seed from Spain, became the first seeded player to fall as he lost to Jean Fleurian of France, 6-2, 6-4, 6-4.

Graf, seeking her third straight Australian title, had a tougher time than expected in beating 17-year-old amateur Carrie Cunningham of the United States, 6-2, 7-5.

Graf, who had not played a full tournament since winning the Virginia Slims Championship in November on an injured ankle, trailed by 2-5 in the second set against the grunting, hard-hitting Cunningham.

"I was quite astonished," said Cunningham, who has not decided whether to go to college or turn professional. "I couldn't believe I was up, 5-2, on Steffi Graf. But that's the point where it hindered my mental stability — I started to make unforced errors."

Graf took advantage and quashed any upset notions by winning the next five games, allowing Cunningham only five points. She finished it off with two aces.

"I didn't know her," Graf said. "I only knew she won the U.S. Open juniors. I think she played a good match ... but I don't think I played tactically very well."

If Lendl was efficient, and a little funny-looking in his flapping legionnaires cap, while beating Jim Pugh of the United States, Sampras was unflappable.

His match was the longest to date on the hard courts of the three-year-old National Tennis Center.

In the end, it was Mayotte who blinked first, double-faulting twice on the final two points, the second as Sampras showed savvy gamesmanship by coming inside the baseline.

Sampras smiled a lot during the match, but by the end his expression had become a tired grimace, his tongue out as he gasped for breath.

"That double-fault on match point was a relief," he said.

It was Sampras' second victory in a week over Mayotte, who also lost to the 56th-ranked youngster in a tune-up tournament in Sydney.

Sampras, who beat defending U.S. Open champion Mats Wilander in the second round of that tournament last fall, battled Mayotte for 3½ hours before a light sprinkle interrupted play.

Mayotte asked for and received a break in play with Sampras leading, 4-1, in the fifth set. When they resumed, Mayotte evened the match and pushed it into extra games since there are no tiebreakers in the fifth set in the Australian Open.

"Pete, talent-wise, is right up there amongst the best players," Mayotte said. "He's got the weapons, but it depends on whether he's got the commitment. He doesn't have the talent of [Andre] Agassi or the commitment of [Michael] Chang. But he has the talent of Chang, so if he's willing to put it together he can be in the top 10."

Sampras acknowledged that he is overshadowed by Chang and Agassi, but said he thinks he will catch up as his serve-and-volley game matures.

"I'm slowly and surely going to work my way up," he said. "I didn't expect to be in the top 10 at 18. Beating Wilander in the U.S. Open gave me a lot of confidence, which carried into this match. I've been there before. I really can play well in the fifth set."

Lendl, shrugging off an upset by Yannick Noah last week in Sydney, dispatched Pugh with a combination of crisp passing shots, lobs and drop shots from the baseline.

Pugh, the two-time defending Australian doubles champion, made too many mistakes and was too slow to give Lendl more than a mild workout on the hard courts.

Rarely did Lendl venture to the net in the 90-minute match. He was broken only once, in the eighth game of the final set.

Pugh twice double-faulted at game point, mishit shots into the stands and too often drove his two-handed shots wide from both sides.

Lendl said he got his warm-weather cap while practicing with the Australian coach, Tony Roche, before coming here. It is not part of the wardrobe of clothing that Lendl is promoting for Mizuno of Japan for $25 million.

"It may not be an elegant thing, but this tournament is not about being elegant," he said. "If I do my job as well as the hat does, I'd be fine."

Fleurian, a lanky, 24-year-old Parisian, had never beaten Sánchez before but adjusted to the breeze far better than his opponent to win in 1 hour, 39 minutes.

A good-humored Fleurian later attributed his success to six tournaments he played recently in Brazil.

"I was on the beach for two months doing lots of swimming and windsurfing after my matches," he said.

Asked about his chances for the rest of the tournament, the Frenchman, ranked 57th in the world, replied with a smile, "I would say I have 0.5 per cent chance to win."

In other matches, No. 9-seeded Katerina Maleeva of Bulgaria beat Lori McNeil of the United States, and 11th seed Pam Shriver of the United States defeated Eva Sviglerova of Czechoslovakia.

Opening on Tuesday will be Wimbledon and U.S. Open champion Boris Becker of West Germany, who could face a difficult time against Paul Haarhuis, the Dutchman who beat John McEnroe in the U.S. Open; Stefan Edberg, who plays 18-year-old Johan Anderson of Sweden, and McEnroe, who takes on Thierry Tulasne of France. *(AP, Reuters)*



Mark Baker/Reuters

Jean Fleurian of France pointing out his upset of Spain's Sánchez.



Don Emmert/Agence France-Presse

Ivan Lendl, in top form from head to toe, breezed to a victory.

SIDELINES

PGA Rookie Gamez Wins Tucson Open

TUCSON, Arizona (UPI) — Robert Gamez won the $900,000 Tucson Open, his first tournament as a member of the PGA tour.

Gamez, 21, the 1989 collegiate player of the year at the University of Arizona, needed only a final round of 2-under-par 70 Sunday to win by four shots on his home course.

Not since Ben Crenshaw won the 1973 San Antonio-Texas Open has a player won his first tournament as a member of the PGA tour.

For the Record

South and North Korean sports officials failed again Monday to agree on procedures for forming a joint team for the Asian Games next September, clouding the future of the talks, according to South Korean reporters invited to the meeting. They said the meeting, the fourth since Dec. 1, broke down after each side accused the other of insincerity in preparing for the games in Beijing. *(AP)*

The women's World Cup super-giant slalom race scheduled for Tuesday for Kitzbuehel, Austria, was called off Monday because a safe course could not be built, organizers said. *(UPI)*

Alberto Tomba of Italy has recovered from a collar-bone fracture and could compete in the World Cup slalom Sunday in Kitzbuehel, officials said Monday. *(AP)*

FIFA, the governing body of world soccer, will not punish Diego Maradona of Argentina for his allegations that the World Cup draw last month was fixed, a FIFA spokesman said Monday. *(AP)*

Andreas Möller, the midfield star expected to start on the West Germany World Cup soccer team in Italy this June, will transfer to a foreign team at the end of the season, officials from Borussia Dortmund, Möller's current team, said Monday. Newspaper reports linked him to the Italian clubs Roma and Juventus and the Spanish champion, Real Madrid. *(AP)*

John Painter, a British shot put and discus thrower, has been suspended from competition for two years because he evaded a drug test, the Amateur Athletics Association said Monday. *(AP)*

Gerard Gallant of the Detroit Red Wings has been suspended by the NHL for three games without appeal for striking a linesman, Jerry Pateman. *(AP)*

Louisville Victory Comes in a Box

The Associated Press

Louisville's Everick Sullivan, who beat Florida State with his offense a year ago, this season did it with his defense.

"He's really haunted us," Florida State's coach, Pat Kennedy, said Sunday night after Sullivan shut down Tharon Mayes in the Metro Conference game's final minutes and No. 11 Louisville won, 73-66, in Tallahassee, Florida.

Louisville (12-2, 2-1) scored the game's last eight points as it employed a box-and-one defense against the top scorer for the Seminoles (11-6, 2-2). Mayes had a game-high 27 points but was held scoreless the final 7½ minutes.

Sullivan had made a three-point shot at the buzzer in overtime last year to beat Florida State.

A Panther Tail Tale

United Press International

MELBOURNE — An African witch doctor, who lashed Yannick Noah's ailing knee with the tail of a panther, is getting the credit for the revival of the French star's tennis career.

The flamboyant Frenchman, seeded No. 12 in the Australian Open, has had chronic trouble with tendinitis but claims that a visit to the witch doctor's clinic last February helped cure him.

He said he heard about the witch doctor while on vacation in his native Cameroon.

"I was out hiking in the jungle with guides and all of that when I heard about a witch doctor who lived a couple of hours up the river," Noah said. "I decided to give him a go and arrived in the jungle ready for anything.

"He got this panther's tail and began belting the hell out of it across my knee. He applied some oils and stuff, and I have never had a problem with it since.

"I don't know if that sort of thing works. I guess it has something to do with believing."

Noah's story is the most unusual to crop up in big time tennis since Tony Roche of Australia visited a Filipino faith healer as a desperate measure to ward off a career-threatening tennis elbow.

Noah told his story with utmost seriousness. But, he apologized for being unable to produce his doctor's business card.



Reuters

Noah: 'Something to do with believing.'

Australian Open First-Round Scores

Men's Singles

Mikael Pernfors, Sweden, def. Slobodan Zivojinovic, Yugoslavia, 6-2, 6-1, 6-1; Ronald Agenor, Haiti, def. Richey Reneberg, U.S., 6-2, 6-4, 3-6, 6-1; Jonas B. Svensson, Sweden, def. Thomas Hogstedt, 6-2, 7-5, 7-5; Tomas Carbonell, Spain, def. Cyril Suk, Czechoslovakia, 6-4, 7-5, 6-3; Karel Novacek, Czechoslovakia, def. Michael Brown, Australia, 6-2, 6-1, 2-6, 6-2.

Henri Leconte, France, def. Francisco Roig, Spain, 6-1, 4-6, 7-6, 6-4; Todd Woodbridge, Australia, def. Michiel Schapers, Netherlands, 4-6, 6-0, 6-3, 6-1; Dan Goldie, U.S., def. Darren Patten, Australia, 6-3, 6-4, 6-4; Eric Winogradsky, France, def. Tim Wilkison, U.S., 6-3, 7-6 (7-3), 6-3; Bruno Oresar, Yugoslavia, def. Todd Witsken, U.S., 6-4, 6-1, 6-4.

Alexander Volkov, Soviet Union, def. Jimmy Brown, U.S., 6-3, 6-3, 6-1; Simon Youl, Australia, def. Martin Laurendeau, Canada, 4-6, 7-6 (7-4), 6-2, 6-2; Leonardo Lavalle, Mexico, def. Jeremy Bates, Britain, 6-7 (3-7), 6-1, 6-4, 6-2; Glenn Layendecker, U.S., def. Tarik Benhabiles, France, 6-2, 7-6 (8-6), 6-3; Jordi Arrese, Spain, def. Nick Brown, Britain, 4-6, 6-4, 6-1, 6-3.

Brad Drewett, Australia, def. Cedric Pioline, France, 6-7 (5-7), 6-2, 6-4, 5-7, 6-3; Ivan Lendl (1), Czechoslovakia, def. Jim Pugh, U.S., 6-3, 6-2, 6-4; Lars Jonsson, Sweden, def. Tom Nijssen, Netherlands, 6-3, 6-2, 7-6 (7-1); Christo van Rensburg, South Africa, def. Jerome Potier, France, 6-2, 5-7, 7-5, 6-3; Jean Fleurian, France, def. Emilio Sanchez (7), Spain, 6-2, 6-4, 6-4; Sergi Bruguera (13), Spain, def. Leif Shiras, U.S., 6-1, 6-4, 6-3.

Christian Bergstrom, Sweden, def. Pieter Aldrich, South Africa, 6-4, 6-4, 6-2; Stefano Pescosolido, Italy, def. Jan Gunnarsson, Sweden, 6-2, 6-7 (5-7), 6-0, 6-2; Alex Antonitsch, Austria, def. Amos Mansdorf, Israel, 4-6, 6-4, 6-4, 6-7 (5-7), 6-3; Nicolas Pereira, Venezuela, def. Chris Pridham, Canada, 6-4, 7-6 (7-4), 4-6, 6-3; Michael Stich, West Germany, def. Peter Doohan, Australia, 6-3, 6-2, 6-2.

Pete Sampras, U.S., def. Tim Mayotte (6), U.S., 7-6 (8-6), 6-7 (5-7), 4-6, 7-5, 12-10; Paul Chamberlin, U.S., def. Shane Barr, Australia, 6-0, 6-7 (5-7), 6-0, 6-2; Claudio Pistolesi, Italy, def. Neil Broad, South Africa, 5-7, 6-4, 6-4, 6-1; Magnus Gustafsson, Sweden, def. Nicklas Kulti, Sweden, 2-2, default; Andrei Cherkasov, Soviet Union, def. Shuzo Matsuoka, Japan, 6-2, 4-6, 4-6, 6-0, 6-2.

Women's Singles

Patty Fendick, U.S., def. Akemi Nishiya, Japan, 6-1, 6-3; Brenda Schultz, Netherlands, def. Martina Pawlik, West Germany, 6-4, 6-3; Anke Huber, West Germany, def. Nalder Laval, France, 6-1, 6-1; Beate Reinstadler, Austria, def. Ronni Reis, U.S., 6-1, 6-2; Katerina Maleeva (9), Bulgaria, def. Lori McNeil, U.S., 6-2, 6-1.

Rachel McQuillan, Australia, def. Federica Bonsignori, Italy, 6-1, 6-2; Kumiko Okamoto, Japan, def. Maureen Drake, Canada, 6-4, 2-6, 6-1; Andrea Temesvari, Hungary, def. Rennae Stubbs, Australia, 6-4, 6-3, 6-2; Pam Shriver (11), U.S., def. Eva Sviglerova, Czechoslovakia, 6-2, 6-4; Elise Burgin, U.S., def. Shaun Stafford, U.S., 2-6, 7-6 (9-7), 6-3.

Jo Durie, Britain, def. Pascale Paradis, France, 7-5, 7-6 (7-4); Nicole Jagerman, Netherlands, def. Claudia Kohde-Kilsch, West Germany, 6-4, 7-6 (7-3); Nana Miyagi, Japan, def. Radka Zrubakova, Czechoslovakia, 7-5, 6-4; Kirrily Sharpe, Australia, def. Louise Field, Australia, 7-5, 3-6, 7-5.

Elena Pampoulova, Bulgaria, def. Kristin Godridge, Australia, 4-6, 6-4, 6-2; Kimiko Date, Japan, def. Pascale Etchemendy, France, 6-3, 7-6 (8-6); Kate McDonald, Australia, def. Louise Allen, U.S., 6-4, 6-4; Donna Faber, U.S., def. Eva Pfaff, West Germany, 6-3, 6-0; Silke Meier, West Germany, def. Jill Smoller, U.S., 6-4, 6-2; Erika deLone, U.S., def. Louise Stacey, Australia, 6-4, 7-5.

Raffaella Reggi (13), Italy, def. Justine Hodder, Australia, 6-1, 6-0; Rosalyn Fairbank (14), U.S., def. Camille Benjamin, U.S., 6-4, 6-4; Nicole Provis, Australia, def. Eva-Maria Schuerhoff, West Germany, 7-5, 7-6 (7-5); Dianne Balestrat, Australia, def. Andrea Leand, U.S., 6-2, 4-6, 6-4.

Natalia Medvedeva, Soviet Union, def. Lise Gregory, South Africa, 6-4, 7-5; Laila Meskhi, Soviet Union, def. Laura Golarsa, Italy, 6-4, 6-4; Carin Bakkum, Netherlands, def. Kristine Radford, Australia, 6-3, 6-2; Julie Halard, France, def. Ann Devries, Belgium, 7-5, 6-2; Audra Keller, U.S., def. Steffi Menning, West Germany, 3-6, 7-6 (7-4), 6-4; Sarah Loosemore, Britain, def. Jo-Anne Faull, Australia, 6-3, 7-5; Steffi Graf, West Germany (1), def. Carrie Cunningham, U.S., 6-2, 7-5.

CHESS

By Robert Byrne

THREE players won the 1989 United States Championship, held at the Hyatt Regency Hotel in Long Beach, California, from NOv. 9 to Dec. 3. Two of them, the 45-year-old Roan Dzindzichashvili of New York and the 29-year-old Yasser Seirawan of Seattle, were eminent grandmasters who had each won the title previously. The third, a big surprise, was the 20-year-old Stuart Rachels of Birmingham, Alabama, the youngest winner or co-winner since Bobby Fischer captured the championship in 1957 at 14.

Each of the three was awarded a prize of $5,000 by the sponsor, Software Toolworks, which had offered a $28,000 fund for the event. This tournament also doubled as the American Zonal Competitions, the first stage in the new cycle of qualification of the world championship. Thus, Rachels also won the international master title and participation n the next stage, the 1990 Interzonal Competition.

In the 13th round, Rachels outplayed and defeated Igor Ivanov, an international master who lives in San Pedro, California.

The currently out-of-favor 5 c4 against the Steinitz Defense Deferred gives White a double grip on d5, but it would have made 7 d4 impossible, had Ivanov played the logical 5...Bg4 6 h3 Bf3 7 Qf3 Nf6 followed by 8...Nd7. His alternative, 5...Nf6 and 6...Be7, soon led to White's achieving a central space advantage after 10 O-O.

The thematic 12 e5 would not have led to anything after 12...de 13 Be5 Bd6. But after 17 Nf3, Ivanov could find no other defense against the cramping 18 g4 Ng7 19 f5! than 17...Bc3 18 Qc3 Qf6 19 e5 de 20 Ne5, which conceded White a clear superiority in piece mobility and pawn structure.

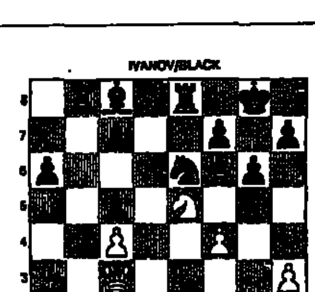
Ivanov's attempt to regroup at moves 22-24 was smashed by Rachel's 25 Bc5!, winning a decisive pawn because 25...Nc5? 26 Ng4! would win outright.

After 30 Rf2, Rachels was getting ready for 31 Kh2 and 32 g4! with a mating attack. Thus, Ivanov believed it necessary to go into a pawn-down endgame with 30...f6 31 Ng6! Rd3 (31...Qg6 32 f5 Qg3 33 fe Re6 34 Bd2 Qc3 35 Bc3 Re1 36 Be1 Rd1 37 Re2 should win for White despite the bishops of opposite color) 32 Nh4 Rc3 33 Nf5 Rc4.

On 37 Rd2!, Ivanov avoided 37...Rf4 because of 38 Rd7! Ke6 (or 38...Kf8? 39 Nh6! Nd6 40 Rd8 Kg7 41 Ra8 Kh6 42 Bd2) 39 Rd8 Kf5 40 Ra8 Nd6 41 Ra6.

The game was adjourned after 60...Kf6, but Black needed no more convincing. For example 61 Nd4 Bd5 62 Kg4 Be4 63 b4 Ke5 64 Kg5! Kd4 65 f6 Bd5 66 Kg6 wins easily. Ivanov gave up without resuming.

IVANOV/BLACK



RACHELS/WHITE

Position after 24 . . . Ne6

RUY LOPEZ

	White Rachels	Black Ivanov		White Rachels	Black Ivanov
1	e4	e5	32	Nh4	Rc3
2	Nf3	Nc6	33	Nf5	Rc4
3	Bb5	a6	34	Bd4	Ng7
4	Ba4	d6	35	Re8	Ne8
5	c4	Nf6	36	Bc3	Kf7
6	Nc3	Be7	37	Rd2	Re8
7	d4	ed	38	Rd4	Rc5
8	Nd4	Bd7	39	g4	hg4
9	Bc6	bc	40	hg4	Rd5
10	O-O	O-O	41	Rd5	Bd5
11	Bf4	Re8	42	a3	Nd6
12	Re1	g6	43	Ne3	Bb3
13	h3	Nh5	44	Kf2	Be6
14	Bh2	Rb8	45	f5	Bb3
15	Qd2	Bg5	46	Kf3	Nc4
16	f4	Bf6	47	Nf1	Bc2
17	Nf3	Bc3	48	Kf4	c5
18	Qc3	Qf6	49	Ng3	Nb6
19	e5	de	50	Ne4	Nd5
20	Ne5	Be6	51	Kf3	Bd1
21	Rf1	c5	52	Kg3	Ke7
22	Rae1	Ng7	53	Nc5	Ne3
23	Kh1	Bc8	54	Na4	Ng4
24	Bg1	Ne6	55	Kf4	Nf2
25	Bc5	Bb7	56	Nb4	Bb3
26	Ba3	Rbd8	57	Kf3	Nh3
27	Qb4	Ba8	58	Bd2	Ng5
28	Kg1	h5	59	Bg5	fg5
29	Qc3	Qf5	60	Nc5	Kf6 and Resigns
30	Rf2	f6			
31	Ng6	Rd3			

BOOKS

RED VICTORY: A History of the Russian Civil War

By W. Bruce Lincoln. 640 pages. $24.95. Simon & Schuster, 1230 Avenue of the Americas, New York, N. Y. 10020.

Reviewed by Jane Good

CAMEOS from Russia, winter 1919: A railway worker opens three freight cars marked "fresh meat, destination Petrograd" to find the naked, mangled corpses of more than 100 frozen Red Guard soldiers. A diver in Novorossiysk harbor discovers livid, swollen corpses of White Army officers standing upright, owing to the weights tied to their legs, swaying to and fro in serried ranks, as if talking to one another.

Readers of W. Bruce Lincoln's "Red Victory: A History of the Russian Civil War" will find that such scenes were the rule, not the exception, during those dreadful years from 1918 to 1921 when supporters of the recently proclaimed Bolshevik regime of Lenin and Trotsky (the Reds) battled for survival against an eclectic array of monarchist, socialist, liberal, national liberationist, Cossack and foreign opponents (the Whites). The civil war that generated savagery of such unprecedented scale broke out at a juncture when Russia's resources and citizens seemed completely spent: seven million lay dead from the butchery and disease of World War I, while millions more suffered on the verge of starvation.

Lincoln is evenhanded in his reporting of the atrocities, but he lays the blame for precipitating the bloodlust principally on the Bolsheviks. Shortly after seizing power Lenin faced the possibility that the population of Petrograd might starve to death. To avert catastrophe he decided on a policy of food requisitioning that fostered class warfare in the countryside.

No historian can tell us for certain whether starvation could have been averted more effectively if the Bolsheviks had chosen a policy of cooperation rather than one of confrontation. But Lincoln does shed light on how the Bolsheviks' life-or-death struggle against crushing odds forged their vision of the future. Victory came because Lenin relentlessly marshaled all human and natural resources within his grasp to protect a revolution that was staged in the name of the masses, but which ultimately sacrificed the people and the principles it had promised to empower.

"Red Victory" completes Lincoln's trilogy on the Russian revolutionary period. As in his earlier volumes, he writes a comprehensive account of the subject that is based on exhaustive research in primary and secondary sources. Covering foreign intervention, military campaigns and Bolshevik domestic policies in a single study of moderate length unfortunately results in a text that presumes more knowledge of Russian history than is typical of the general reader, yet glosses over details that would be of interest to the specialist. Nevertheless, it is worth reading by anyone willing to invest time and effort to better understand the Soviet Union.

Jane Good, who teaches Russian history at the United States Naval Academy, wrote this for The Washington Post.

PEANUTS



BEETLE BAILEY



ANDY CAPP



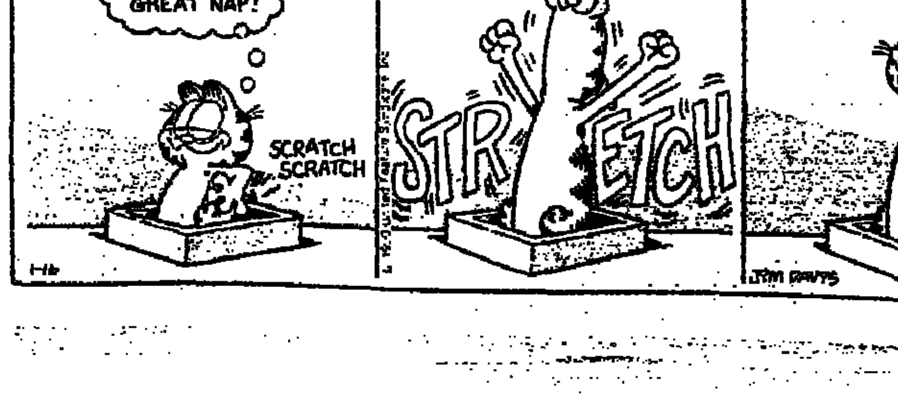
WIZARD of ID



REX MORGAN



GARFIELD



DOONESBURY



DENNIS THE MENACE



"FLURRIES ARE SOMETHING THAT JUST GETS YOUR HOPES UP."

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

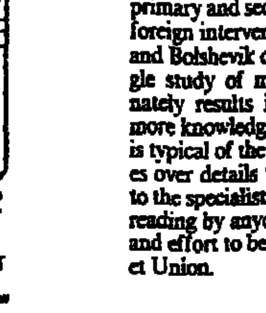
Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

PLEEO

BELLI

LIFTLE

ENTAUB



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: [ ] [ ] IT

(Answers tomorrow)

Yesterday's | Jumbles: HAVEN NATAL ALBINO ELDEST
Answer: That unconvincing witness was making the jury wonder - - - WHAT "LIES" AHEAD

SPORTS

49ers Stroll Past Rams, 30-3, to Join Broncos in NFL's Super Bowl

Elway 'Just Amazing'

By Michael Wilbon
Washington Post Service

DENVER — A balanced offense is nice, but nothing makes the Denver Broncos go like a hot-handed John Elway.

For the third time in four years, the Broncos have beaten the Cleveland Browns in the American Football Conference championship game, but this time no dramatic drive or fumble was necessary. The score at Mile High Stadium on Sunday was 37-21 because Elway was too good from beginning to end.

He completed 20 of 36 passes for 385 yards and three touchdowns, and led both teams in rushing with 99 yards on five carries.

"He was truly a composer today," said the Broncos' defensive end, Ron Holmes. "He dismantled Cleveland when he had to. It was just amazing to see what he can do to a great team."

Denver's reward was a Super Bowl date with the San Francisco 49ers on Jan. 28 in New Orleans. Having been blown out of two previous Super Bowls this decade, by the New York Giants and the Washington Redskins, several giddy Broncos danced through their dressing room screaming, "Third time's a charm."

The third time for the Browns certainly was not. Their quarterback, Bernie Kosar, was obviously bothered by an injured throwing hand. But, he said afterward, "I haven't used it as an excuse nor do I plan on doing that now. It's just something you deal with at this time of the year."

Kosar led a 21-point rally in the third quarter, but two fourth-quarter interceptions ultimately undermined a rousing comeback that saw the Browns pull to 24-21 with 15 minutes left.

Asked to recall his thoughts when Tim Manoa scored on a two-yard run to cut Denver's lead to 24-21, Elway said, "I knew everybody would be ready to call this 'The Comeback.'"

Elway, however, put that theme to rest. On the next play from scrimmage, he threw to Vance Johnson for 23 yards. Three plays later, on third and 10, Elway improvised on what was probably the most spectacular play of the game.

Chased out of the pocket by Michael Dean Perry, Elway ran like the wind to his left. Almost effortlessly, he threw off the wrong foot, across his body, just over the hands of Frank Minnifield and into the arms of Johnson. The play not only covered 20 yards and kept the drive going, it demoralized the Browns.

Two plays later Elway hit running back Sammy Winder with a quick pass over the middle that went for a 39-yard touchdown. That made it 31-21 with 12:35 left. Kosar's interceptions then helped the Broncos add two field goals.

The Broncos gained 497 yards even though 1,000-yard rusher Bobby Humphrey and starting tight end Pat Kelly, replacing the injured Clarence Kay, were hurt in the first half and didn't return. Humphrey has two broken ribs and his status for the Super Bowl is uncertain. Kelly has a sprained knee.

"This reminded me of 1986," said wide receiver, Mark Jackson. "We returned to our old ways, the wild wild West. Four wideouts and John throwing, John scrambling, us scoring."

Kosar threw incomplete on seven of his first eight passes, but he seemed to find his touch during intermission. On one third-and-long play, he startled the Broncos by running 16 yards to midfield. An 18-yard pass to Reggie Langhorne led to a 27-yard touchdown pass to Brian Brennan. Brennan's first touchdown catch in 31 games got Cleveland within 10-7.

But when cornerback Hanford Dixon slipped and fell trying to cover Michael Young, Elway fired a 53-yard pass that set up a five-yard toss to tight end Orson Mobley for a 17-7 edge midway through the third period.

It was the second costly slip by a Cleveland cornerback. In the second quarter, Minnifield had fallen, giving Elway the chance to hit Young for a 70-yard touchdown that put Denver ahead, 10-0. And in the same quarter, Langhorne dropped Kosar's pass inside the five on the Browns' first sustained drive.

After Winder stretched the Broncos' lead to 24-7 with a seven-yard run, Kosar marched Cleveland right down the field, hitting Langhorne, Lawyer Tillman, Brennan and Webster Slaughter for a total of 61 yards.

Two plays later Kosar threw to the end zone for Brennan, who snagged the ball at ankle level and pulled it to his chest while on the ground. "I'd still like to see that replay," Holmes said. "I don't know how that ball couldn't have touched the ground."

Two plays later, the Browns' pulled to 24-21. The Broncos' Melvin Bratton fumbled and safety Felix Wright took it 26 yards to the one, setting up Manoa's score.

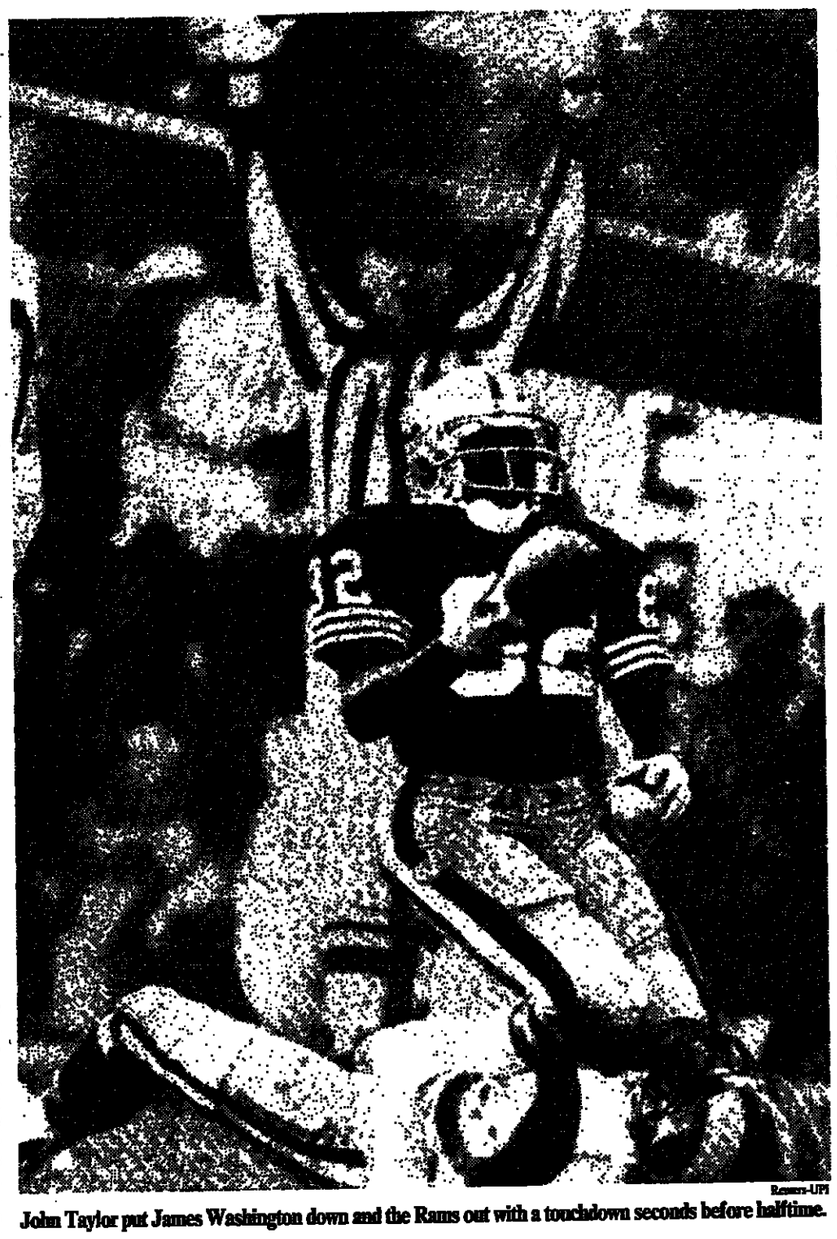
But the Browns couldn't stop Elway, although their coach, Bud Carson, tried just about everything.

Elway outran Cleveland's fairly slow front four when he started to scramble, and he recognized the five- and six-man blitzes and tore them to pieces with short passes.

Carson defended his blitz philosophy by saying, "You don't win big football games against John Elway by letting him sit back there against our front four."

But the offensive plan came under more criticism than the blitzing. Kevin Mack ran 19 yards on Cleveland's first play, but carried only five more times.

"We went to the passing game quicker than we would have liked to," Carson said. "But you really have to look at Elway. Of all the times I've faced him, this is the best I've ever seen him."



Reuters-UPI

John Taylor put James Washington down and the Rams out with a touchdown seconds before halftime.

49er Line: 11½

The Associated Press

LAS VEGAS — The San Francisco 49ers quickly became 11½-point favorites to beat the Denver Broncos in the Super Bowl, the biggest spread for an NFL championship game in 20 years.

Las Vegas oddsmakers made the 49ers 10-point favorites as soon as they beat the Los Angeles Rams for the NFC title. Within two hours, however, so many bettors had put money on San Francisco that the line was jumped a point and a half.

Not since Minnesota was picked by 13½ points to beat Kansas City in the 1970 Super Bowl has a team been so favored. The Chiefs upset the Vikings, 23-7, in that game.



Richard Conway/Reuters-UPI

Coach Dan Reeves could smile after Elway went 20 of 36 passing for 385 yards and three touchdowns.

Montana Completes 26 of 30 Passes

By Tom Friend
Washington Post Service

SAN FRANCISCO — Joe Montana was never knocked off his feet, his jersey never muddied. He threw an incompletion about once every quarter and the San Francisco 49ers rolled into the Super Bowl for the fourth time in 10 National Football League seasons.

The Los Angeles Rams, who lost by 30-3 Sunday, rushed for just 26 yards and their quarterback, Jim Everett, threw three interceptions, apparently having left his uncanny accuracy back East, where his surprising wild-card team had won two National Football Conference playoff games against the Philadelphia Eagles and New York Giants.

Afterward, CBS-TV staged a conversation between the Super Bowl coaches — the 49ers' George Seifert and the Denver Broncos' Dan Reeves — and an awed Reeves said, at least, "We will show up."

"We know Joe won't get dirty in the Superdome," said guard Guy McIntyre, tongue-in-cheek because the Super Bowl on Jan. 28 will be played indoors in New Orleans. "But, really, it was a great sight to see him standing up, breathing easy, not having ice all over his body."

The Rams had decided to concentrate on the wide receivers, all-pro Jerry Rice and John Taylor, so Montana nickeled and dimed his way to 26 completions in 30 passes, for 262 yards. His last postseason interception was in 1987.

Roger Craig, the 49ers' running back, rushed for 93 yards and a touchdown despite a mild concussion, while safety Ronnie Lott was not fooled by a reverse early in the game and swatted away a sure touchdown for the Rams.

The 49ers' center, Jesse Sapolu, was flagged for a personal foul penalty near the Rams' goal line and was scolded by Montana, but then was let off the hook when the quarterback threw a back-breaking 18-yard touchdown with nine seconds left in the second-quarter.

The game boiled down to one vintage Montana drive, a precise three-minute drill. Ahead by 14-3 as the first half was winding down, he choreographed an 87-yard march that included a third-and-12 check-off to fullback Tom Rathman that netted 13 yards.

Another 16-yard dump-off to Craig gained a first-and-goal at the three-yard line with 14 seconds left. But center Sapolu, who is from Los Angeles, saw some shoving going on and slapped an opponent. As usual, the referees saw the last blow and flagged the 49ers back to the 18-yard line for unnecessary roughness.

"I was too emotional," Sapolu said, adding that "I'd been home after our Minnesota game, and people were talking trash to me about the Rams. I wanted to annihilate them."

But Montana, who "raised my voice a little bit" to Sapolu, then calmly found Taylor for the touchdown pass that made it 21-3. The Rams hung their heads as the halftime gun sounded, while Sapolu sought out Montana and said, "I'm sorry."

Montana, who delivered similarly in last year's Super Bowl, was asked later why he never sweats during a two- or three-minute drill.

"The big thing is being patient," he replied. "It's not saying, 'Oh God, we've just got a minute.'"

As it turned out, the Rams — who split with the 49ers during the regular season — were unable to get up off the mat. The second half consisted of three field goals by Mike Cofer, of 28, 36 and 25 yards, and of Craig amazingly trying to run out the clock with a concussion and headache.

"I'd felt like I got hit by Mike Tyson," Craig said.

The Rams' defensive coordinator, Fritz Shurmur, rarely used his unique 2-5 defense, instead going with a 3-4 alignment. And the defensive front was already undermanned before starting defensive tackle Mike Piel left early with a dislocated elbow.

The 49ers had designed a defense that would take at least one of the Rams' dangerous wide receivers out of every play, with linebacker Keena Turner or someone else jamming either Henry Ellard or Willie (Flipper) Anderson at the line of scrimmage. That left Everett with few options.

The Rams had gone ahead early, 3-0, on a 23-yard field goal by Mike Lansford, and soon had a chance to run it up to 10-0 when Everett faked a reverse to world-class sprinter Ron Brown and spied Anderson alone at the five. The fake fooled everyone but Lott.

Lott still had a lot of ground to cover just to reach Anderson, but Everett lofted a lazy pass that allowed Lott to swat the ball incomplete at the last instant.

"I think Jim was just trying to make sure it got there," Lott said. "I'm kind of slow, but I really wanted to get over there."

In the second quarter, the 49ers glided ahead, 7-3, on Montana's post pattern pass to tight end Brent Jones. The Rams were so preoccupied with Rice and Taylor that Jones breezed through the middle uncovered. "Blown coverage," Montana said.

Once the 49ers had the lead, Everett's only effective passes were simple screens. He went deeper once, and the ball bounced off cornerback Don Griffin's chest and into the hands of cornerback Tim McKyer.

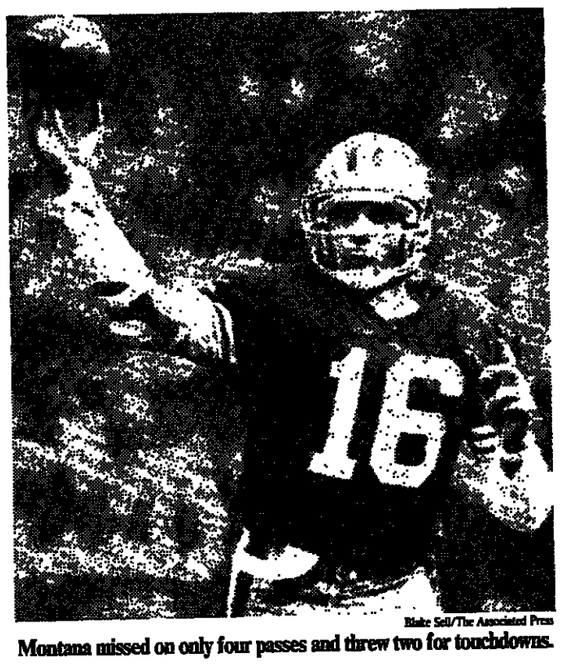
McKyer, who had complained earlier in the week that he was not "appreciated" after constant contract rifts, was congratulated by all his teammates after the pick-off. "When stuff gets out like that, people try to make you look like a bad guy," McKyer said. "But bottom line is I can play."

The turnover set up Craig's one-yard hurdle for a touchdown behind Rathman; it was 14-3 with 7:11 to play in the first half, and already it was looking ominous for the Rams.

Montana's two touchdown passes — of 20 yards to Jones and of 18 yards to Taylor — gave him a record 31 in postseason games, compared to 30 for Terry Bradshaw, who quarterbacked the Pittsburgh Steelers to back-to-back Super Bowl victories in 1978 and '79.

In two weeks, the 49ers will try to become the first team to repeat as champions since the previously unrivaled Steelers.

Said Everett: "I don't think I want to be the Denver Broncos."



Blake Sell/The Associated Press

Montana missed on only four passes and threw two for touchdowns.

Everett: Against 49ers, Only Perfection Will Do

The Associated Press

SAN FRANCISCO — That the San Francisco 49ers would score 30 points was not surprising. That the Los Angeles Rams would score just three was.

After all, Jim Everett had led the National Football League by throwing for 29 touchdowns and 4,310 yards this season. Wide receivers Flipper Anderson and Henry Ellard had accounted for more than 2,500 yards and 13 touchdowns.

But against the 49ers, the timing, rhythm and efficiency that had been the hallmark of the Rams' passing game this season was completely out of synch.

"We did not have our rhythm all the game," the Rams' coach, John Robinson, said after his offense had sputtered and stalled on a soggy field at Candlestick Park. "Our guys were not open."

He and some of his players said the pass to a seemingly wide-open Anderson during the Rams' second series of the game was pivotal.

After faking an end-around, Everett faded back at the San Francisco 40-yard-line, spotted Anderson alone near the end zone and looped the ball toward him. But the 49ers' safety, Ronnie Lott, came halfway across the field, arrived at the same time as the pass and tipped it away.

"We would have been up 10-0," Robinsin said. "Sure, it might ended up 30-10 — but from there on out, I don't think we got anything done."

Everett completed just 16 of 36 passes for 141 yards. Asked to describe his three interceptions, he replied, "I can't. There were too many of them."

Anderson, who set an NFL record with 336 yards on 15 catches in a victory over the New Orleans Saints in November, caught only one pass for 14 yards. Ellard caught two for 18 yards.

"They took away a lot of stuff we like to do," Everett said of the 49ers' defense. "I felt we were really ready to play, but they covered well, put pressure on me well. When you play the 49ers, you better play a perfect game."

"The field was a little slippery, so the defensive backs could lay back and wait for us, especially after they got a big lead," Anderson said.

"They did a good job with their linebackers and safeties, disrupting the routes," Ellard said. "Keena Turner would come up right on you and Don Griffin would be behind him.

"The early part of the game, we like to get our rhythm and we seemed to have it for a while," he said. "Then, they seemed to take it away from us."

It was the only one-sided contest in four games between the two NFC West rivals since August. The Rams won, 16-13, in overtime in the exhibition opener in Tokyo, beat the 49ers, 13-12, at Candlestick Park and lost, 30-27, at Anaheim Stadium last month.

Although the Rams, having settled for their almost-perennial wild-card spot in the playoffs, had traveled to the East Coast three times in the previous three weeks, Robinson and his players said fatigue was not a factor.

"To put anything on this game other than the 49ers' achievement would be wrong," Robinson said.

"They're the bullies on the block," Everett said. "We got bullied one more time."

NFL Playoff Picture

Wild-Card Games

NFC

- LOS ANGELES RAMS 21, PHILADELPHIA EAGLES 7

AFC

- PITTSBURGH STEELERS 26, HOUSTON OILERS 23 (OT)

Divisional Playoffs

NFC

- SAN FRANCISCO 49ERS 41, MINNESOTA VIKINGS 13
- LOS ANGELES RAMS 19, NEW YORK GIANTS 13 (OT)

AFC

- CLEVELAND BROWNS 34, BUFFALO BILLS 30
- DENVER BRONCOS 24, PITTSBURGH STEELERS 23

Conference Titles

Sunday, Jan. 14

NFC

- SAN FRANCISCO 49ERS 30, LOS ANGELES RAMS 3

AFC

- DENVER BRONCOS 37, CLEVELAND BROWNS 21

Super Bowl XXIV

Sunday, Jan. 28, 5 P.M. EST, in New Orleans

SAN FRANCISCO 49ERS (16-2) versus DENVER BRONCOS (14-4)

SCOREBOARD

FOOTBALL

NFC Title Game

L.A. Rams	3	0	0	0	3
San Francisco	0	21	3	6	30

First Quarter
LA—FG Lansford 23, 5:22.
Second Quarter
SF—Jones 20 pass from Montana (Cofer kick), 5:33.
SF—Craig 1 run (Cofer kick), 7:49.
SF—Taylor 18 pass from Montana (Cofer kick), 14:51.
Third Quarter
SF—FG Cofer 28, 7:16.
Fourth Quarter
SF—FG Cofer 36, :04.
SF—FG Cofer 25, 9:22.

Team Statistics

	LA	SF
First downs	9	29
Rushes-yards	10-26	44-179
Passing	120	263
Return yards	10	58
Comp-att-int	16-36-3	27-31-0
Sacked-yards lost	1-11	1-5
Punts	7-31	2-31
Fumbles-lost	1-0	3-2
Penalties-yards	1-10	4-40
Time of possession	20:12	39:48

Individual Statistics
Rushing: Los Angeles: Bell 8-20, Gary 1-3, Delaine 1-3. San Francisco: Craig 23-93, Rathman 30-63, Flagler 8-19, Montana 1-4, Henderson 1-1, Young 1-(minus 1).
Passing: Los Angeles: Everett 16-36-3-141. San Francisco: Montana 26-30-0-262, Young 1-1-0-6.
Receiving: Los Angeles: McGee 7-63, Hoban 3-26, Bell 2-22, Ellard 2-18, Anderson 1-14, Johnson 1-7. San Francisco: Rice 6-55, Rathman 5-68, Jones 4-46, Taylor 4-45, Craig 3-40, Sherrard 2-21, Wilson 1-7, Williams 1-6.
Missed field goals: San Francisco, Cofer 38.

AFC Title Game

Cleveland	0	0	21	0	21
Denver	3	7	14	13	37

First Quarter
Den—FG Treadwell 29, 12:59.
Second Quarter
Den—Young 76 pass from Elway (Treadwell kick), 9:03.
Third Quarter
Cle—Brennan 27 pass from Kosar (Bahr kick), 3:19.
Den—Mobley 5 pass from Elway (Treadwell kick), 7:00.
Den—Winder 7 run (Treadwell kick), 10:41.
Cle—Brennan 18 pass from Kosar (Bahr kick), 12:48.
Cle—Manoa 1 run (Bahr kick), 14:59.
Fourth Quarter
Den—Winder 39 pass from Elway (Treadwell kick), 2:25.
Den—FG Treadwell 34, 6:38.
Den—FG Treadwell 31, 13:00.

Team Statistics

	Cle	Den
First downs	14	22
Rushes-yards	14-66	39-120
Passing	198	377
Return yards	7	50
Comp-att-int	19-44-3	20-36-0
Sacked-yards lost	4-20	1-8
Punts	8-42	5-46
Fumbles-lost	3-0	2-2
Penalties-yards	8-55	1-5
Time of possession	23:07	36:53

Individual Statistics
Rushing: Cleveland: Mack 6-36, Kosar 2-22, Manoa 2-5, Metcalf 3-4, Langhorne 1-(minus 1). Denver: Elway 5-39, Winder 21-37, Humphrey 8-23, Sewell 4-17, Bratton 1-4.
Passing: Cleveland: Kosar 19-44-3-210. Denver: Elway 20-36-0-385.
Receiving: Cleveland: Langhorne 5-78, Brennan 5-58, Slaughter 3-36, Mack 2-8, Metcalf 2-7, Tillman 1-15, Manoa 1-8. Denver: Johnson 7-91, Sewell 3-55, Young 2-122, Winder 2-39, Jackson 2-25, Mobley 2-22, Humphrey 1-23, Bratton 1-7.
Missed field goals: None.

BASKETBALL

NBA Standings

EASTERN CONFERENCE

	W	L	Pct	GB
Atlantic Division				
New York	25	10	.714	—
Boston	21	14	.600	4
Philadelphia	19	16	.543	6
Washington	14	21	.400	11
New Jersey	11	23	.306	14½
Miami	7	30	.189	19
Central Division				
Detroit	25	12	.676	—
Chicago	23	12	.657	1
Indiana	21	15	.583	3½
Atlanta	18	15	.545	5
Milwaukee	19	16	.543	5
Cleveland	15	18	.455	8
Orlando	10	26	.278	14½

WESTERN CONFERENCE

	W	L	Pct	GB
Midwest Division				
San Antonio	23	9	.719	—
Utah	23	11	.676	1
Denver	21	15	.583	4
Dallas	17	18	.486	7½
Houston	16	19	.457	8½
Charlotte	7	25	.219	16
Minnesota	7	28	.200	17½
Pacific Division				
L.A. Lakers	25	8	.758	—
Portland	25	11	.694	1½
Phoenix	17	14	.548	7
Seattle	17	16	.515	8
Golden State	16	17	.485	9
L.A. Clippers	15	19	.441	10½
Sacramento	8	25	.242	17

SUNDAY'S RESULTS

Portland	28	28	30	13	99
New Jersey	28	18	26	18	90

Drexler 16-25 4-6 36, Kersey 6-8 5-8 17; Short 8-13 8-8 24, Hinson 6-11 2-4 14, Morris 5-15 4-4 14. Rebounds: Portland 66 (Drexler, Williams 13), New Jersey 41 (Carroll 7). Assists: Portland 21 (Porter, Drexler 6), New Jersey 17 (Conner 6).

Selected College Scores

Rhode Island 79, George Washington 59
Louisville 73, Florida St. 66
Stanford 69, Washington St. 49

College Rankings

The Associated Press rankings (first-place votes from a panel of sportswriters and broadcasters; records through Jan. 14; total points based on 25-24-23, etc., previous rankings):

	Record	Pts	Pvs
1. Kansas (46)	18-0	1,549	1
2. Georgetown (15)	13-0	1,517	2
3. Oklahoma (1)	12-0	1,428	4
4. Missouri (1)	15-1	1,319	5
5. Syracuse	12-1	1,296	6
6. Michigan	11-2	1,222	3
7. Illinois	12-1	1,203	8
8. Duke	12-2	1,132	10
9. UNLV	10-3	995	7
10. Louisville	13-2	988	11
11. Georgia Tech	11-1	956	9
12. Arkansas	12-2	906	12
13. LSU	10-2	843	14
14. Indiana	12-2	647	13
15. St. John's	14-3	584	15
16. UCLA	11-2	583	19
17. La Salle	10-1	466	21
18. Oregon St.	12-2	396	22
19. N. Carolina St.	12-3	370	17
20. Xavier, Ohio	11-1	307	25
21. Loyola Marymount	11-3	291	23
22. Minnesota	10-3	277	16
23. Arizona	9-3	273	18
24. Purdue	11-2	217	—
25. Alabama	12-3	167	24

GOLF

Top finishers in the PGA Tucson Open, which ended Sunday on the 7,810-yard, par-72 TPC Starpass course:

Robert Gamez, $162,000	65-66-69-76—276
Mark Calcavecchia, $79,200	68-67-70-69—274
Jay Haas, $79,200	66-64-72-72—274
Bill Sander, $35,438	68-69-73-65—275
Dan Forsman, $35,438	70-67-69-69—275
Davis Love III, $35,438	68-65-73-69—275
Corey Pavin, $35,438	67-70-69-69—275
Joel Edwards, $27,000	67-71-71-67—276
David Frost, $27,000	70-69-71-75—276
Mike Reid, $24,300	67-71-68-71—277

HOCKEY

NHL Standings

WALES CONFERENCE

	W	L	T	Pts	GF	GA
Patrick Division						
New Jersey	22	20	4	48	181	177
NY Islanders	20	21	4	44	160	165
NY Rangers	18	21	8	44	149	158
Pittsburgh	20	21	3	43	184	192
Philadelphia	18	21	7	43	166	155
Washington	18	24	4	40	152	167
Adams Division						
Boston	26	16	3	55	161	133
Buffalo	24	15	6	54	155	142
Montreal	23	18	6	52	152	136
Hartford	21	20	3	45	152	152
Quebec	8	30	6	22	136	203

CAMPBELL CONFERENCE

	W	L	T	Pts	GF	GA
Norris Division						
Chicago	25	16	4	54	183	166
Toronto	23	22	1	47	201	207
St. Louis	20	19	6	46	162	152
Minnesota	21	22	3	45	153	168
Detroit	15	24	6	36	155	172
Smythe Division						
Edmonton	23	14	9	55	177	147
Calgary	21	15	11	53	192	160
Winnipeg	22	17	5	49	152	154
Los Angeles	20	20	5	45	198	187
Vancouver	13	25	8	34	139	167

SUNDAY'S RESULTS

Philadelphia	0	2	1	0—3
N.Y. Rangers	1	0	2	1—4

Poulin (9), Craven (15), Eklund (10); Oprodnick (28), Mullen (14), Wilson (5), Leetch (9). Shots on goal: Philadelphia (on Richter) 8-10-6-0—22; New York (on Wregget) 9-11-7-1—28.

St. Louis	1	2	2	5
Winnipeg	3	2	1	6

Zezel (15), P.Cavallini (4), Hull 3 (41); Howerchuk (13), Ashton (11), McLlwain 2 (14), Small (17), Fenton (11). Shots on goal: St. Louis (on Essensa) 10-8-6—24; Winnipeg (on Riendeau) 5-9-9—23.

Calgary	3	1	2	6
Chicago	1	2	2	5

MacLellan 4 (7), Makarov 2 (13); Savard (19), Thomas 3 (21), Larmer (16). Shots on goal: Calgary (on Chevrier, Cloutier) 8-8-9—25; Chicago (on Vernon) 17-12-9—38.

CRICKET

Australia vs. Pakistan
(In Melbourne, Test 1, Day 4)
1st Innings: Australia 229-9 (decl.);
1st Innings: Pakistan 107 (all out).
2nd Innings: Australia 312-8 (decl.);
2nd Innings: Pakistan 159-4.

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ART BUCHWALD

The Yoke of Democracy

WASHINGTON — I have been inundated with queries lately from former Iron Curtain countries asking what they can expect now that they have thrown off the yoke of communism.

Here are some examples:

Question: If we become a democracy, does that mean we will no longer have corruption among our politicians?

Answer: That is correct. Democracies have a strict rule banning dishonesty in government. If a public servant does anything to break his oath, he is dealt with even more severely than if he lived in a totalitarian country — unless he has a good lawyer and can plea-bargain his way out.

Buchwald

Question: If the nouveaux liberated adopt democratic forms of government, does that mean we have to listen to all the speeches of the various political parties?

Answer: Citizens must pay a price for freedom of speech, and that price means they must hear out all the candidates. Besides doing that, free people are also expected to contribute money to political campaigns, so their rights will be guaranteed.

Question: I have a friend who says that since we have toppled communist power in East Germany, we will not be permitted to leave home without our American Express cards. True or false?

Answer: Your friend is right, but it doesn't necessarily have to be American Express — you can carry a Visa, Mastercard or even a Diner's Club card. This must be produced on demand when you walk into a shopping mall. The credit card is to the West what a Havana cigar is to Fidel Castro.

Question: Bulgaria, where I live, is for all intents and purposes a free nation. I do not have much money to spend. What is the first thing you would advise someone to buy who has just been liberated?

Answer: A radar detector. If you are going to beat the highway patrol at their own game in a democratic society, it is essential that you have a radar detector clipped to your sun visor. The most important thing for all citizens is to evade speed traps.

Question: An East German father writes, "Under democracy, will I have discipline problems with my children?"

Answer: Only if they stay home. Most children in democratic countries disappear as soon as they are old enough to drive. They are not seen again until they have a financial problem which can solely be resolved by their parents.

Question: Under the harsh Romanian regime of Ceausescu, I failed to return a library book in Bucharest because of the curfew. Before I knew it, I owed $87 in fines. Am I still responsible for this amount now that Ceausescu has been shot?

Answer: People are responsible for overdue library books no matter who is in power. The only way to get out of paying is to go to the nearest Vatican embassy and ask for asylum.

Question: In the days before the overthrow of the hated Honecker regime, I burned the American flag and everyone applauded. Now they tell me that this is forbidden because we have a democratic government. What gives?

Answer: In a totalitarian state American-flag burning is encouraged. But you can't have people going around doing that in a free country because it would encourage everybody to take the law into their own hands.

Question: We are expecting to hold elections in Bulgaria. How do we find a vice president as qualified as Dan Quayle?

Answer: Nobody can get that lucky.

Question: If Poland elects a new president, will Johnny Carson make fun of us, the way he does of President Bush?

Answer: Only if they print his cue cards in Polish.

Wiesenthal Film Honored

The Associated Press

LOS ANGELES — Home Box Office's "Murderers Among Us: The Simon Wiesenthal Story" won four awards, including best movie or miniseries, in U.S. cable television's ACE Awards.

On the 'Storm Front' With Rocker Billy Joel

By Richard Harrington

Washington Post Service

THE week Billy Joel's "We Didn't Start the Fire" went to No. 1 in the United States, "Storm Front" (his 14th album) also hit No. 1, a rare double chart-topping triumph.

Joel is currently on a yearlong tour that is producing instant sell-outs wherever tickets have gone on sale and recently he was named one of the top 10 heroes of 1989 by the Millennium Society, an international group that celebrates the progress of humankind; other winners included Lech Walesa.

"That's good, that's reward enough," says Joel. "I've gotten a lot of mail from teachers and from kids who are piqued by the song." "Fire" is a headlong rush of political, social and cultural flash words, four turbulent Cold War decades telescoped into three taut verses.

"We Didn't Start the Fire" kicks off with 1949 — the year of Joel's birth on Long Island — and the first two verses accord a line to each year. By the time Joel gets to 1964, he's breathless, which may explain why the last 25 years are condensed into a single verse.

"Once Kennedy was assassinated in '63, for me and for everybody else that's my age, time accelerated. A quarter of a century has gone by, and I remember the day he was shot as if it was a few weeks ago — the sensations, the smells, the way light looked.

"Also, by the time I got to that verse, I thought, what else do I have to say? I've got '64 to '89 to get through. How are we going to do this? I just decided I would *pop, pop — like firecrackers, like flashbulbs* — snapshot stuff, rather than going year by year."

"My daughter [Alexa Ray] has just turned 4, and she knows the lyrics," says a proud Joel, who is married to the model-actress Christie Brinkley. "She doesn't know what they mean, she doesn't know what they're saying, and she doesn't know how to properly pronounce them, but she knows the song by rote, which amazes me — to know 40 years of history without really knowing what it is."

Joel, who has often portrayed himself as an anxiety-addled child of the Cold War, is confused at what he considers a blasé attitude toward the changes that have swept the Soviet Union and Eastern Europe. "*In my lifetime there* have been two wars fought against communism — in Korea by my father's generation, in Vietnam by mine. That's two hot wars inside that 'cold' war. All of a sudden it's winding down and the yuppies are worried about what effect this is going to have on the economy? Hey, how about no hydrogen bomb blowing up our kids!"

> **'I just decided I would pop, pop — like firecrackers, like flashbulbs.'**

Having traveled to the Soviet Union in a much-publicized tour in 1987 — the first American rocker to perform there with his complete stage act — Joel sensed the winds of change, but admits he couldn't have predicted it was going to happen as quickly as it did. "There was an incredible optimism in the air, a palpable excitement on the streets," he says. "People knew *changes* were *taking place*." He offers a rock 'n' roll analogy: "Once white kids heard Little Richard's version of 'Tutti Frutti,' as opposed to Pat Boone's, it was all over but the shouting. Once Pandora's box is opened, you can't close it up again."

The same might be said for William Martin Joel's music box, jimmied opened when he started piano lessons at age 4. Ten years later, he'd played his first professional engagement (earning $5). Now Joel sports walls full of gold and platinum albums but no high school diploma. Not that he dropped out: He helped support the household by working most nights and only attended school 90 days in his senior year, and the authorities decided that just wasn't enough to graduate.

"I'd been a musician since junior high school," says Joel, whose compact, well-muscled frame and cocksure wise guise suggest the amateur boxer he was more than two decades ago. He'd worked even earlier with "piano teachers who train kids to become Vladimir Horowitzes and Ashkenazys. No one's encouraged to become a jazz player or a writer — you're always supposed to be *this thoroughbred. I got bored* with it. I didn't want to be Horowitz, I wanted to be Little Richard or Jerry Lee Lewis."

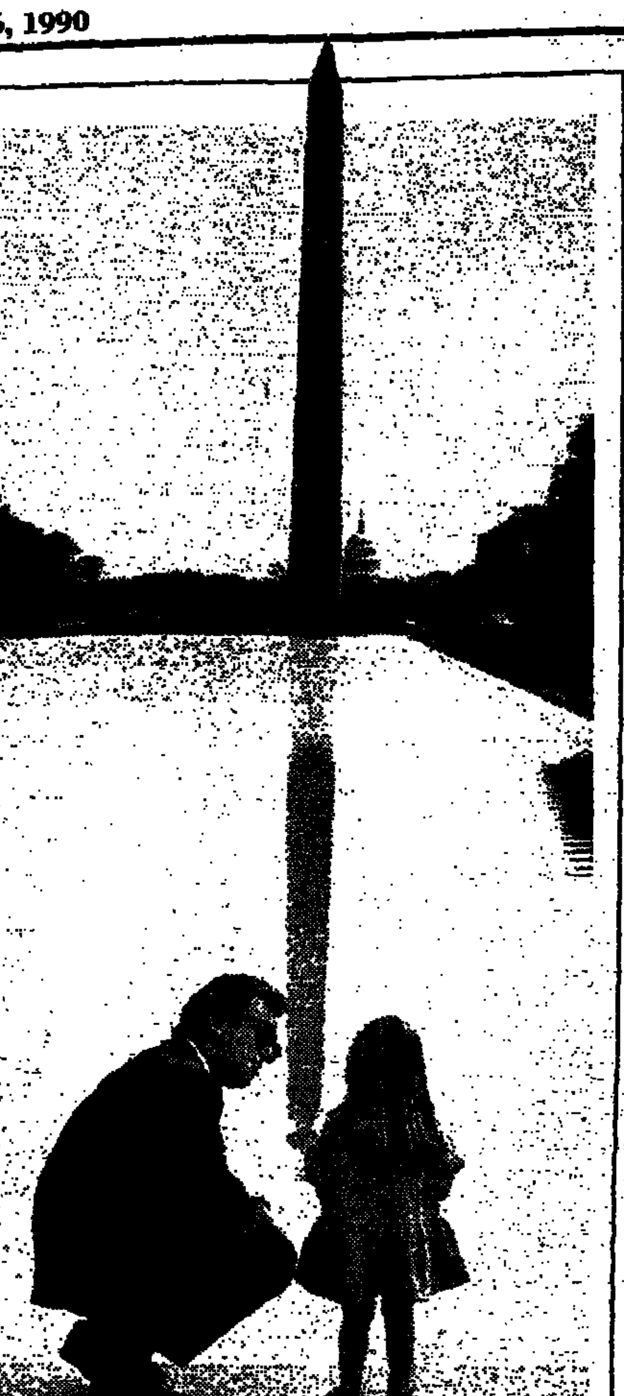
Music became both avocation and vocation, a situation made necessary after Joel's father, Howard, a French Jewish survivor of the Dachau concentration camp, abandoned the family and returned to Europe. Billy Joel was 8 years old, and *it marked the* beginning of a difficult period growing up poor in a middle-class Long Island neighborhood.

"I was working a lot at night and I would come to school late. My mother didn't really make good money — that was a time when working women were really paid peanuts. She couldn't get a decent job, so my way of kicking in was going out and working the clubs till 3 in the morning. In that era [the mid-'60s] being a musician was looked at as a temporary thing, a pipe dream. Mostly I got: When are you going to get a real job? When are you going to settle down? When are you going to hit the books? When are you going to look at a viable career?"

This may explain Joel's feisty, *hard-driving nature, his refusal to* observe strictures. "I've always had a big authority problem, people telling me, 'Billy, you can't do this, you're not allowed to do that.' That was pretty much my relationship in high school with people in positions of authority — teachers, principals, guidance counselors, policemen, parents [and later, critics] who say I can't?"

Still, Joel was at Hicksville High long enough to get encouragement from at least one teacher. He had cut class one day to sneak into the school's darkened auditorium, which housed "a big Baldwin grand. I was playing an ersatz version of Rachmaninoff's Piano Concerto in C minor when a teacher poked his head in the hall. I thought: I'm busted! What's he going to do to me?"

The teacher was Chuck Arnold, who also directed the school chorus. "He said I had a pretty good ear," Joel recalls. "'I can tell you learned that by ear, but you're faking it really good. Why don't you join the chorus and my music history class?' It was pretty good punishment. Later [Arnold] said, 'Go into music — you've got the ear, you've got the talent. Why not? You'll probably be happier *than the people who are going to* be try to be insurance salesmen.'"



Dudley Brooks/The Washington Post

Billy Joel with his daughter Alexa Ray in Washington.

PEOPLE

Kiri Te Kanawa Draws 140,000 in Auckland

The opera star **Dame Kiri Te Kanawa** returned to her native New Zealand and drew the biggest audience ever to attend a concert there. Organizers said 140,000 were at the open-air concert in Auckland's Domain Park, more than double the turnouts for such rock music draws as U2, Mick Jagger and David Bowie. Fans started grabbing the best positions at 3:30 A.M. and the park filled up during the day. Te Kanawa, who now lives near London, has not performed in New Zealand since 1984. The soprano, a Maori, ended with "Home, Sweet Home," sung in Maori.

□

It's not clear what the competition was, but **Lech Walesa** won. "His single-breasted jacket of solid colors accents a strong physique, enhancing his role at the helm of Poland's Solidarity movement," the Fashion Foundation of America said to explain why it chose Walesa as the snappiest dresser among labor leaders in its 48th annual list of the Best Dressed Men of the Year. **President George Bush** was named best dressed statesman, but the foundation hedged by picking the Soviet leader, **Mikhail Gorbachev**, as best dressed man in public life. **Alan King**, the perpetually tuxedoed nightclub comedian, won over pop superstar **Michael Jackson** as best dressed entertainer.

□

Jason Connery, son of the consummate James Bond, **Sean Connery**, is to star in a television movie as **Ian Fleming**, the author and creator of Agent 007. "Freud would have a field day with this one," the younger Connery was quoted as saying by People magazine.

□

The Wolf Foundation announced Monday in Jerusalem that **Ennio de Giorgi** of Italy and **Ilya Piatetski-Shapiro**, an Israeli immigrant from the Soviet Union, will share this year's $100,000 prize for mathematics. De Giorgi, 61, a professor in Pisa, was named for "innovating ideas and fundamental achievements in partial differential equations and calculus of variations." Piatetski-Shapiro, 60, who teaches at Tel Aviv University and Yale, made "fundamental contributions in the fields of homogeneous complex domains, discrete groups, representation theory and automorphic forms."

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- frappe des documents techniques (compte-rendus rapports, protocole d'expérience etc...)
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QUALITES REQUISES:
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